



CITY of NAPA

DATE: December 3, 1999

TO: Responsible, Trustee or Interested Agency

FROM: Cassandra Walker, City of Napa Redevelopment/Economic Development Manager

SUBJECT: **NOTICE OF COMPLETION – REQUEST FOR COMMENTS**
Draft Economic Element for the City of Napa General Plan, *Envision Napa 2020*, and Negative Declaration Prepared for Economic Element

INSTITUTE OF GOVERNMENT
STUDIES LIBRARY
DEC 3 1999
TRANSMITTAL
UNIVERSITY OF CALIFORNIA

ECONOMIC DEVELOPMENT DEPARTMENT
1700 Second Street, Suite 268
PO Box 660
Napa, California 94559-0660
(707) 257-9502
FAX (707) 258-7851

Attached you will find the Draft Economic Element proposed to be incorporated into the recently adopted City of Napa Draft General Plan, *Envision Napa 2020*, along with the Negative Declaration prepared for the proposed Element. The proposed Economic Element establishes policies and implementation programs for economic development in the city over the next 20 years while recognizing the importance of the supporting components to the economy addressed in other chapters of the General Plan. The policies and programs of the Economic Element provide a strategy for achieving optimum economic health given the constraints of the limited land supply within the city's established Rural Urban Limit (RUL). The Element has been formatted into a policy chapter and a background chapter to coincide with the formatting of the adopted General Plan. Your agency is invited to submit comments on both the Draft Economic Element and the Negative Declaration. Please confine comments to issues that are within the scope of your agency's responsibilities.

A Notice of Completion has been sent to the State Clearinghouse along with copies of the documents; however, the City is mailing a set of documents directly to your agency in order to avoid delays in your review.

Thirty-Day Review Period

The review period for the Negative Declaration extends from December 6, 1999 to January 5, 2000.

Public Hearing

The Planning Commission will hold a public hearing on the Economic Element on January 20, 1999, at or after 7PM, in the City Council Chambers, City Hall 955 School Street, Napa California, at which time they will consider the Negative Declaration and make recommendations to the City Council regarding the Economic Element.

Please direct your written comments on the Negative Declaration and Economic Element to:

Cassandra Walker, Redevelopment/Economic Development Manager
City of Napa
P.O. Box 660
Napa, CA 94559

(707) 257-9502

Attached: Draft Economic Element Policy Document and Background Chapter
Negative Declaration and Initial Study Prepared for Draft Economic Element

Note: The adopted General Plan and FEIR were sent in Spring 1999 to responsible, trustee and local agencies as well as other entities expressing interest.

NEGATIVE DECLARATION

PROJECT NAME: Economic Element – City of Napa General Plan **FILE NUMBER:** 99-112
LOCATION: Citywide; within the RUL Line of the City of Napa **SCH #** 95-03-3060
PROPONENT: City of Napa **PHONE:** (707) 257-9502
Cassandra Walker, Redevelopment/Economic Development Dept.
P.O. Box 660, Napa, CA 94559

PROJECT DESCRIPTION:

Addition of an Economic Element to the City's General Plan, *Envision Napa 2020* (Adopted 12/1/98). The Economic Element establishes policies and implementation programs for economic development in the city over the next 20 years while recognizing the importance of the supporting components to the economy addressed in other chapters of the General Plan. The policies and programs of the Economic Element provide a strategy for achieving optimum economic health given the constraints of the limited land supply within the city's Rural Urban Limit (RUL).

ENVIRONMENTAL SETTING

The Economic Element is based on the same environmental setting assumptions that were the basis for the General Plan Final EIR (adopted 12/1/98 – SCH# 95-03-3060). The General Plan FEIR described the physical environment within the City's Rural Urban Limit (RUL) and also described the City's regional setting within Napa County and the greater bay area. Much of the data used for developing the economic strategy, such as population projections, land capacity, and future land availability by type, originated from the recently adopted General Plan, *Envision Napa 2020*, or utilized the same data sources and assumptions used for the General Plan.

DECLARATION

Based on the Initial Study dated December 3, 1999 staff has determined:

1. This project does not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.
2. This project will not have a detrimental effect upon either short-term or long-term environmental goals.
3. This project will not have impacts which are individually limited but cumulatively considerable.
4. This project will not have environmental impacts which will cause substantial adverse effect upon human beings, either directly or indirectly.

These findings are contingent upon mitigation measures which have been incorporated into this project (in this case the policies of the General Plan and the proposed Economic Element). The Initial Study and other environmental documents are available for public review at the Redevelopment/Economic Development Office and the Planning Department. The public is hereby invited to submit written comments regarding the environmental findings and Negative Declaration determination. Such comments may be submitted during the public review and comment period from **December 6, 1999 through January 5, 2000.**

Documents are available for review at the City of Napa Redevelopment/Economic Development Office at 1700 Second Street, Suit 268, Napa, California (Phone: (707)257-9502).

NEGATIVE DECLARATION PREPARED BY: D. Faaborg, City of Napa Planning Department for the Redevelopment/Economic Development Department.

Contact Person: Cassandra L Walker
Cassandra Walker, Redevelopment/Economic Development Manager
Telephone: (707) 257-9502

12-2-99
Date

City Of Napa Planning Department
1600 First Street - Napa, CA 94559

ENVIRONMENTAL CHECKLIST FORM

PROJECT NAME: Economic Element – City of Napa General Plan **FILE NUMBER:** 99-112
LOCATION: Citywide; within the RUL Line of the City of Napa **SCH #** 95-03-3060
PROPONENT: City of Napa **PHONE:** (707) 257-9502
Cassandra Walker, Redevelopment/Economic Development Dept.
P.O. Box 660, Napa, CA 94559

PROJECT DESCRIPTION:

Addition of an Economic Element to the City's General Plan, *Envision Napa 2020* (Adopted 12/1/98). The Economic Element establishes policies and implementation programs for economic development in the city over the next 20 years while recognizing the importance of the supporting components to the economy addressed in other chapters of the General Plan. The policies and programs of the Economic Element provide a strategy for achieving optimum economic health given the constraints of the limited land supply within the city's Rural Urban Limit (RUL).

ENVIRONMENTAL SETTING

The Economic Element is based on the same environmental setting assumptions that were the basis for the General Plan Final EIR (adopted 12/1/98 – SCH# 95-03-3060). The General Plan FEIR described the physical environment within the City's Rural Urban Limit (RUL) and also described the City's regional setting within Napa County and the greater bay area. Much of the data used for developing the economic strategy, such as population projections, land capacity, and future land availability by type, originated from the recently adopted General Plan, *Envision Napa 2020*, or utilized the same data sources and assumptions used for the General Plan.

OTHER PUBLIC AGENCIES:

Several local agencies and governing bodies, as well as State and Federal agencies, may have discretionary review over future projects within the City (see pg 1-6 of GPFEIR). These agencies will refer to the City's General Plan and related environmental documents when conducting future environmental analysis on projects within their scope of responsibility. The City is interested in comments from agencies that may have an interest in the City's economic goals for the future and the potential impacts that might result from the implementation of economic policies proposed in the new Element.

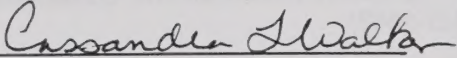
DETERMINATION: On the basis of information found in this initial evaluation, staff finds that:

Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

A Notice of Negative Declaration will be prepared and posted for the period of 12/6/99 through 1/5/2000.

DE MINIMIS IMPACT FINDING: Staff finds that there is no evidence before the City that the proposed project will have the potential for an adverse effect on wildlife resources or the habitat upon which wildlife depends; on the basis of substantial evidence, the presumption of adverse effect is rebutted. A Certificate of Fee Exemption will be completed and filed with the Notice of Determination for the project.

Prepared by: City of Napa Planning Department; Deborah Faaborg


For: Cassandra Walker, Redevelopment/Economic Development Manager

12-2-99

Date

Initial Study

City of Napa Economic Element for the General Plan

BACKGROUND

The City of Napa's General Plan, *Envision Napa 2020*, was adopted December 1, 1998. During the public review process for the General Plan, the Napa Chamber of Commerce expressed the need for an Economic Element to be added to the General Plan to assess the city's economic position and to create a strategic plan for continued economic health. In response, after adoption of the General Plan, the City Council authorized the City of Napa's Economic Development Department to lead the effort to create an Economic Element for the General Plan. An Economic Working Group was assembled to provide input during the process (See Appendix 1 of the Econ. Elem. Background Report for roster of EWG members). The City retained the services of Applied Development Economics (ADE) to assist with data collection and analysis and to facilitate the meetings of the Economic Working Group. J. Laurence Mintier and Associates (the City's General Plan consultant) was retained to translate the strategy developed by the Economic Working Group into a Policy Chapter to be added to the General Plan.

ECONOMIC ELEMENT FORMAT

The City's General Plan consists of two documents; the Policy document and the Background Report. The Policy Document features goals, policies and implementation programs for each of the General Plan elements. The Background Report provides a description and detailed information on the existing conditions and provides a basis for the policies and programs in the Policy Document. The Economic Element has been formatted into a Policy Chapter and a Background Chapter so that it may be incorporated into the respective General Plan documents.

ECONOMIC ELEMENT COMPONENTS/OBJECTIVES

Given the constraints of a limited land supply within the RUL, the Economic Element establishes policies that call for more efficient use of land designated for commercial and industrial use in order to maximize the quality of jobs available to Napa residents and to offer a variety of retail goods and services to residents, workers and visitors to Napa. Economic vitality will support the continued enhancement of the quality of life for the Napa resident. Napa is anticipated to serve as the location of choice for a number of the nation's leading edge high technology firms and their suppliers, as well as a premier overnight destination for domestic and international visitors in Northern California. The data in the Economic Element Background Report demonstrates that there are many sectors where economic growth can occur by meeting existing demand rather than expanding new markets. Policies in the Economic Element are geared towards taking advantage of these existing opportunities wherever possible, but within the limits of land use, population and housing established in the General Plan, *Envision Napa 2020*.

Major economic development objectives include:

- An economic base that includes a broad mix of business that provides a range of employment types, career opportunities and wage scales.
- A balanced economic base that minimizes the impact of a cyclical downturn in one or more of the major sectors of the economy.
- An economic base that improves the quality of life for Napa residents.

Policies in the Economic Element are organized under the following topic sections and major goal statements:

LAND DEVELOPMENT POTENTIAL

GOAL 1: To maximize the use of Napa's limited non-residential land supply for employment generating and revenue generating uses.

BUSINESS RETENTION/EXPANSION

GOAL 2: To retain existing businesses, particularly those that contribute to meeting Napa's strategic economic goals, and to facilitate their expansion as appropriate.

RETAIL/DOWNTOWN

GOAL 3: To attract a diversity of retail uses throughout the city that complements and broadens the existing mix of retail uses.

TOURISM/HOSPITALITY

GOAL 4: To help local businesses capture visitor dollars that are not currently finding their way to the city of Napa, thereby increasing revenue to local businesses and the City.

CORPORATE PARK/OFFICE

GOAL 5: To attract and expand industrial, high technology, regional serving office development that diversifies the local economy and produces higher wage jobs.

HOUSING

GOAL 6: To ensure, to the extent possible, that a full range of housing is available in the city to accommodate the growth in employment generated by the successful implementation of the City's economic strategy.

CIRCULATION AND ACCESS

GOAL 7: To improve regional access to Napa and local access throughout the city.

Specific Policies under each goal should be reviewed in the context of the draft Economic Element; however, references to policies are included in this initial study where such policies serve to mitigate potential impacts under certain environmental categories.

Implementation Programs are outlined under each section of the Economic Element; together these provide a strategy for the accomplishing first phase of economic development as envisioned by the Element. Each program includes an assignment of responsibility and a projected time frame for completion.

ECONOMIC ELEMENT AND GENERAL PLAN DOCUMENTS AS PART OF CEQA DOCUMENTATION

CEQA Guidelines Section 15150 recognizes the desirability of reducing the volume of documentation necessary for environmental review and authorizes the use of incorporation by reference of any portion of relevant documents that provide general background to the environmental document. As such, this initial study incorporates the General Plan Policy Document and Background Report (Adopted 12/1/98) as well as the Final EIR Certified for the General Plan and the CEQA Findings (CC Reso. 98-238 and 98-239). This document also incorporates by reference the information found in the Draft Economic Development Background Report the Draft Economic Element Policy Document. These documents are available for review at the City of Napa Redevelopment/Economic Development Office at 1700 Second Street, Suite 268, Napa, California (Phone: (707)257-9502). *The adopted General Plan and FEIR have already been sent to responsible, trustee and local agencies as well as other entities expressing interest.*

TIERED REVIEW:

The purpose of this initial study is to evaluate the Economic Element proposed for the General Plan based on the information in the General Plan FEIR and to determine whether the existing policies of the General Plan, along with the policies of the new element, adequately mitigate any potentially significant impacts that may result from future activities anticipated by the Economic Element. This analysis uses the tiering concept encouraged by CEQA Guidelines Section 15152, by incorporating analysis and conclusions from the General Plan FEIR by reference. Future environmental review of projects that may be enabled by the Economic Element (in concert with other policies in the General Plan) will be "tiered" from the General Plan Program level environmental review pursuant to CEQA Guidelines Section 15152. CEQA describes the concept of "tiering" as follows:

"Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative

declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later project.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages. As demonstrated in this initial study, no new impacts result from the addition of the proposed Economic Element to the General Plan. The General Plan FEIR and this document disclose all potentially significant impacts at a program level and identify the General Plan policies (and the policies in the proposed Economic Element) that serve as impact mitigation. Overriding considerations were adopted on 12/1/98 with the General Plan for significant unavoidable impacts related to agricultural resources within the RUL, regional traffic congestion, drought year water supply (now mitigated) and endangered species impacts. The proposed Economic Element does not affect the conclusions of the FEIR regarding these impacts and as such, does not affect the findings incorporated into the certification of the FEIR and the adoption of the General Plan on 12/1/98.

- | | | |
|--|---|---|
| ☐ Aesthetics | ☐ Agricultural Resources | ☐ Air Quality |
| ☐ Biological Resources | ☐ Cultural Resources | ☐ Geology/Soils |
| ☐ Hazards & Hazardous Mat. | ☐ Hydrology/Water Quality | ☐ Land Use/Planning |
| ☐ Mineral Resources | ☐ Noise | ☐ Population/Housing |
| ☐ Public Services | ☐ Recreation | ☐ Transportation/Traffic |
| ☐ Utilities/Service Systems | ☐ Mandatory Findings of Significance | |

ENVIRONMENTAL CHECKLIST

Check marks under each environmental category in this initial study indicate whether/how the impact category is addressed in the General Plan EIR. Discussion provides information regarding mitigating policies, where applicable, that are included in the General Plan and the proposed Economic Element to address certain impact categories. Future projects that may be subject to the recommended FAR limitations will be subject to project level CEQA review and will be required to incorporate the City's Standard Conditions and Mitigations (Policy Resolution 27) which are intended to address typical project level impacts under each impact category. Standard Mitigations from Policy Resolution 27 are included to demonstrate that future projects will be required to implement these measures as part of a project level CEQA review.

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
I. AESTHETICS. Would the project:				
a. Have a substantial adverse effect on a scenic vista?				X
b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c. Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact															
Discussion: Visual quality is assessed in the General Plan FEIR on pages 3.6-1 through 3.6-5. Environmental analysis and conclusions related to the aesthetic character of development are included in items 1, 2 and 5 in this EIR section and include references to applicable mitigating policies in the General Plan. Policies requiring evaluation of new development in light of the design character and massing qualities of existing development along with policies requiring preservation, restoration and re-use of historic buildings will apply to projects that may result from the implementation of policies in the Economic Element. Policies and programs in the Economic Element that recognize the need to improve and maintain a positive visual image of the City are found on pages 1, 8, 10, 11, 13, 17 and 18. General Plan & Economic Element Mitigating Policies: LU-1.4, LU-1.5, LU-1.6, LU-1.7, LU-1.8, LU-1.A, LU-1.B, LU-1.C, LU-5.1, LU-5.2, LU-5.4, LU-5.A, LU-5.B, LU-5.D, LU-6.1, LU-6.2, LU-6.3, LU-6.4, LU-6.5, LU-6.6, LU-6.8, LU-6.9, LU-6.10, LU-6.13, LU-6.A, LU-6.D, LU-6.E, LU-7.4, LU-9.1, LU-9.A, LU-10.1, HR-1.1, HR-1.4, HR-1.7, HR-1.16, HR-3.1, HR-4.1, HR-4.2, HR-4.5. <i>Economic Element Policies:</i> ED-1.3, ED-3.3, ED-3.7, ED-3.9, ED-3.G, ED-3.H, ED-4.3, ED-5.3, ED-7.1, ED-7.4, ED-7.A, ED-7.C, ED-7.D. Standard Mitigation Measures: Policy Resolution 27: Aesthetic Mitigation Measures 1-6 Conclusion: The recommended text amendment will not result in new aesthetic impacts not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the policies proposed in the Economic Element.																			
II. AGRICULTURAL RESOURCES. <i>Would the project:</i> <table border="1"> <tbody> <tr> <td>a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</td> <td></td> <td></td> <td></td> <td>X</td> </tr> <tr> <td>b. Conflict with existing zoning for agricultural use or a Williamson Act Contract?</td> <td></td> <td></td> <td></td> <td>X</td> </tr> <tr> <td>c. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?</td> <td></td> <td></td> <td></td> <td>X</td> </tr> </tbody> </table> Discussion: Agricultural resource impacts are assessed in the General Plan FEIR on pages 3.2-3 through 3.2-8 and on pages 4-1 through 4-2. Environmental analysis and conclusions related to agricultural resources are described in general terms related to the use of infill vacant land and the preservation of existing agricultural land in the county through the maintenance of the RUL and a confined urban development policy. The Economic Element promotes the efficient use and re-use of land <u>within</u> the existing RUL and does not change the assumptions of the General Plan EIR regarding agricultural land already designated for urban development. The Economic Element includes many policies to support the efficient use of existing commercial and industrial land. Implementation of these policies will reduce pressures to expand the RUL and as such, support the continued protection of Agricultural land outside of the City's urban boundary. General Plan & Economic Element Mitigating Policies: LU-1.1, LU-2.1, LU-3.1. <i>Economic Element Policies:</i> ED-1.1, ED-1.2, ED-1.3, ED-1.6, ED-1.B, ED-1.D. Standard Mitigation Measures: None Conclusion: The Economic Element does not promote the expansion of the RUL and will not result in new impacts to agricultural resources not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the policies proposed in the Economic Element.					a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X	b. Conflict with existing zoning for agricultural use or a Williamson Act Contract?				X	c. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?				X
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X															
b. Conflict with existing zoning for agricultural use or a Williamson Act Contract?				X															
c. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?				X															
III. AIR QUALITY. [Significance criteria established by the BAAQMD may be relied upon to make the following determinations] <i>Would the project:</i> <table border="1"> <tbody> <tr> <td>a. Conflict with or obstruct implementation of the applicable air quality plan?</td> <td></td> <td></td> <td></td> <td>X</td> </tr> <tr> <td>b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?</td> <td></td> <td></td> <td></td> <td>X</td> </tr> </tbody> </table>					a. Conflict with or obstruct implementation of the applicable air quality plan?				X	b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X					
a. Conflict with or obstruct implementation of the applicable air quality plan?				X															
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X															

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?				X
d. Expose sensitive receptors to substantial pollutant concentrations?				X
e. Create objectionable odors affecting a substantial number of people?				X

Discussion: Air quality is assessed in the General Plan FEIR on pages 3.10-1 through 3.10-5. Impact discussion items in this section are at a program level, city-wide basis and include references to applicable mitigating policies in the General Plan. Individual projects that may occur in the future will be required to be consistent with the air quality policies of the General Plan and will be required to implement the City's standard air quality mitigation measures contained in Policy Resolution 27. The Economic Element is a program level document that will be incorporated into the General Plan; such documents cannot anticipate the specific impacts of an individual future project and therefore, those impacts and mitigations will need to be specifically addressed in project level CEQA documents. It should be noted that many policies in the Economic Element strive for more efficient use of existing urbanized land, including support for mixed use development and business clustering strategies; these land use strategies help to conserve energy resources and address air quality issues. Policies geared towards improving the mix of retail goods and services to residents indirectly address transportation and air quality issues by reducing automobile trips for purchases outside the area. Policies that support higher paying jobs and job training for residents provide an incentive for more residents to successfully seek jobs in Napa and reduce out-commute trips.

General Plan & Economic Element Mitigating Policies: NR-5.1, NR-5.2, NR-4, NR-5.5. *Economic Element Policies:* ED-1.4, ED-1.5, ED-1.6, ED-1.A, ED-1.B, ED-2.G, ED-3.1, ED-3.2, ED-5.3, ED-5.4, ED-5.5, Ed-5.7, ED-7.B.

Standard Mitigation Measures: Policy Resolution 27: Air Quality Mitigation Measures 1, 2 & 3.

Conclusion: The Economic Element will not result in new impacts to air resources not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the policies proposed in the Economic Element.

IV. BIOLOGICAL RESOURCES. *Would the proposal result in:*

a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game (CDFG) or U.S. Fish and Wildlife Service (USFWS)?				X
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the CDFG or USFWS?				X
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
--------------------------	---	---	------------------------------	---------------------

Discussion: Biologic resources are assessed in the General Plan FEIR on pages 3.7-1 through 3.7-10. Environmental analysis and conclusions apply to all development within the RUL. Impact discussion in this section of the EIR include references to applicable mitigating policies in the General Plan. Page 4-1 also provides discussion regarding endangered species and the potential for an unavoidable impact that may unknowingly result from future development, regardless of mitigating policies. Natural Resource protection policies in the General Plan address the long term protection of biologic resources and will apply to future projects that may result from the implementation of the Economic Element. Policies in the Economic Element promote the efficient use and re-use of existing, disturbed urban sites, thereby reducing the pressure to expand the RUL and/or expand development onto more sensitive lands. Policies that promote the clean-up of older industrial and commercial sites will also reduce the potential for hazardous substances to affect the biologic resources of the community. Finally, policies that support aesthetic landscape improvements with new development will also improve the overall habitat value of the urban environment and help to integrate development with the surrounding natural features.

General Plan & Economic Element Mitigating Policies: LU-1.5, LU-1.7, LU-1.8, LU-9.1, LU-9.2, LU-9.A, LU-9.B, LU-9.C, LU-9.D, LU-10.1, , LU-10.2, LU-10.3, LU-10.6, NR-1.1, NR-1.2, NR-1.3, NR-1.4, NR-1.5, NR-1.6, NR-1.7, NR-1.8, NR-1.9, NR-1.10, NR-1.11, NR-1.12, NR-1.13, NR-2.1, NR-2.3, NR-2.4, NR-3.1, NR-3.2, NR-3.3. *Economic Element Policies:* ED-1.2, ED-1.6, ED-1.B, ED-3.9, ED-3.G, ED-5.3, ED-7.4.

Standard Mitigation Measures: None

Conclusion: The Economic Element will not result in new impacts to biological resources not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the proposed policies contained in the Economic Element.

V. CULTURAL RESOURCES. *Would the project:*

a. Cause a substantial adverse change in the significance of an historical resource as defined in Sec.15064.5?				X
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to Sec. 15064.5?				X
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d. Disturb any human remains, including those interred outside of formal cemeteries?				X

Discussion: Historic/cultural resources are assessed in the General Plan FEIR on pages 3.5-1 through 3.5-4. Impact discussion items in this section are at a program, citywide level and include references to applicable mitigating policies in the General Plan. Future development proposals that may result from the implementation of policies in the Economic Element will be subject to City review processes, including the requirement for a determination of consistency with General Plan policies and compliance with the Historic Preservation Ordinance. The General Plan includes policies to promote the preservation, restoration and re-use of historic properties in the downtown as well as policies that recognize the statutory responsibilities with respect to archeological resources. This City's Historic Preservation Ordinance provides the implementing regulations for these policies. Future projects will be subject to CEQA review; a process that includes evaluation of historic and cultural resource impacts. The Economic Element recognizes the City's historic resources as an asset and includes policies that promote the preservation and re-use of historic resources as part of economic development.

General Plan & Economic Element Mitigating Policies: LU-1.3, LU-1.4, LU-5.1, LU-6.2, LU-6.3, LU-8.2, HR-1.1, HR-1.2, HR-1.3, HR-1.4, HR-1.7, HR-1.8, HR-1.10, HR-1.13, HR-1.16; all policies under Goal HR-2; all policies under Goal HR-4, all policies under Goal HR-6. *Economic Element Policies:* ED-1.3, ED-2.1, ED-3.7, ED-3.11, ED-3.G, ED-3.H, ED-4.1, ED-4.6.

Standard Mitigation Measures: Policy Resolution 27: Cultural Resource Mitigation Measure 1.

Conclusion: The Economic Element will not result in new impacts to historic/cultural resources not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and in the policies proposed in the Economic Element.

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
VI. GEOLOGY AND SOILS. <i>Would the project:</i>				
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area, or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Pub. 42				
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b. Result in substantial soil erosion or the loss of topsoil?				X
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse)?				X
d. Be located on expansive soil, as defined in Table 18-1B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
Discussion: Geologic and soils related impacts are assessed in the General Plan FEIR on pages 3.8-1 through 3.8-3. Impact discussion and conclusions are at a program level and include references to applicable mitigating policies from the Health and Safety Chapter of the General Plan. Future individual development applications that result from the implementation of policies in the Economic Element will also be subject to the City's standard conditions and mitigation measures from Policy Resolution 27 that address construction related seismic hazards. General Plan Policies: HS-1.1, HS-1.2, HS-1.3, HS-1.4, HS-1.5, HS-1.6. Standard Mitigation Measures: Policy Resolution 27: Geology/Soils Mitigation Measures 1-5 Conclusion: The Economic Element will not result in new impacts or an increase in exposure to hazards related to geologic, soils, or seismic conditions not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan.				
VII. HAZARDS AND HAZARDOUS MATERIALS. <i>Would the project:</i>				
a. Create a significant hazard to the public or the environment through the routing transport, use or disposal of hazardous materials?				X
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
e. For a project located within an airport land use plan, would the project result in a safety hazard for people residing or working in the project area?				X
f. For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

Discussion: Hazards and hazardous materials related impacts are assessed in the General Plan FEIR in the "Health and Safety" section on pages 3.12-1 through 3.12-3. Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from the Health and Safety Chapter of the General Plan. The Health and Safety Chapter of the General Plan includes sections to address seismic hazards (as noted above), flood hazards, dam failure, wildland fire hazards, aircraft hazards (for areas of the city that are within the planning area of the Napa County Airport), hazardous materials, emergency preparedness and response, and noise (addressed in item XI of this initial study). Future individual development applications that result from the implementation of policies in the Economic Element will also be subject to the City's standard conditions and mitigation measures from Policy Resolution 27 that address project specific impacts in these hazard categories. The Economic Element includes policies to promote the clean-up and re-use of sites where hazardous materials may exist; the incentive programs outlined in the Element will help to further eventual mitigation of these sites.

General Plan & Economic Element Mitigating Policies: Flood Hazard Policies: HS-3.1, HS-3.2, HS3.3, HS-3.4, HS-3.5, HS-3.6, HS-3.7, HS-3.8, HS-3.9; Dam Failure: HS-4.1, HS-4.2; Hazardous Materials: HS-7.1, HS-7.2, HS-7; Emergency Preparedness and Response: All policies under Goal HS-8. *Economic Element Policies:* ED1.1, ED-1.6, ED-1.B, ED-3.9, ED-3.10, ED-5.3.

Standard Mitigation Measures: None

Conclusion: The Economic Element will not result in new impacts related to hydrology and water quality not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and in the proposed policies of the Economic Element.

VIII. HYDROLOGY AND WATER QUALITY. *Would the project:*

a) Violate any water quality standards or waste discharge requirements?				X
b.) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures, which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow?				X
Discussion: Hydrology and water quality related impacts are assessed in the General Plan FEIR on pages 3.9-1 through 3.9-3. Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from both the Community Services and Natural Resource Chapters of the General Plan. Future individual development applications that may result from the implementation of policies in the Economic Element will also be subject to the City's standard conditions and mitigation measures from Policy Resolution 27 that address project specific impacts project level hydrologic and water quality impacts and impose site specific requirements. (Flooding related impacts are addressed under the Hazard section in this initial study.) General Plan Mitigating Policies: Water Quality: NR-4.1, NR-4.2, NR-4.3, NR-4.4, NR-4.5, NR-4.6, NR-4.7; Hydrology/Storm Drainage: CS-11.1, CS-11.2, CS-11.3, CS-11.4, CS-11.5, CS-11.6, CS-11.7, CS-11.8, CS-11.9. Standard Mitigation Measures: Policy Resolution 27: Hydrology and Water Quality Mitigation Measures 1-9 Conclusion: The Economic Element will not result in new impacts related to hydrology and water quality not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan.				
IX. LAND USE AND PLANNING. Would the project:				
a. Physically divide an established community?				X
b. Conflict with any applicable land use plan, policy, or resolution of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
Discussion: By its nature, the General Plan and its FEIR are predominantly focused on land use and planning as related to the constraints and opportunities of the city's setting. The program level impacts that could result from the land use contemplated by the General Plan is specifically assessed in the General Plan FEIR on pages 3.2-1 through 3.2-8. Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from several chapters of the General Plan. Program level impacts disclosed by the General Plan EIR relate to the maintenance of the RUL and its long reaching benefit to regional land use policies, including the preservation of agricultural land. As noted under Section II above, the efficient use of all land within the RUL is essential to the successful implementation of RUL policies that protect existing Napa Valley agricultural lands. The Economic Element does not propose any amendments to the land use designations of the General Plan. The policies of the Element are intended to support the efficient use of existing commercial and industrial designated land to achieve the optimum economic result for the community while maintaining the RUL and the community qualities envisioned by the General Plan. As such, the Element does not alter the land use assumptions that were the basis for analysis in the General Plan FEIR or the environmental conclusions of the FEIR. General Plan & Economic Element Mitigating Policies: All of the policies in the General Plan and proposed Economic Element. Standard Mitigation Measures: Land Use and Planning Mitigation Measures 1-3 Conclusion: The Economic Element will not result in new impacts related to land use and planning not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan.				

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
X. MINERAL RESOURCES. <i>Would the project:</i>				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				X
Discussion: There are no known mineral resource sites within the City and as such the City's General Plan and FEIR did not need to assess impacts or present mitigating policies. General Plan & Economic Element Mitigating Policies: None needed Standard Mitigation Measures: None Conclusion: The Economic Element will not result in new impacts related to mineral resources as none were discovered during preparation of the General Plan and mitigating policies were not needed.				
XI. NOISE. <i>Would the project result in:</i>				
a. Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies??				X
b. Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project				X
d. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e. For a project located within an airport land use plan, would the project expose people residing or working in the project area to excessive noise levels?				X
Discussion: Noise related impacts are assessed in the General Plan FEIR on pages 3.11-1 through 3.11-9. Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from both the Health and Safety Chapter of the General Plan. These policies would apply to development resulting from the implementation of the Economic Element. General Plan Mitigating Policies: All of the policies under Goal HS-9, including the noise level standards shown on Table 8-1. Standard Mitigation Measures: Policy Resolution 27: Noise Mitigation Measures 1-4 Conclusion: The Economic Element will not result in new impacts related to noise not already evaluated in the General Plan FEIR and addressed by mitigating policies of the General Plan.				
XII. POPULATION AND HOUSING. <i>Would the project:</i>				
a. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads and other infrastructure)?				X
b. Displacing substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
--------------------------	---	---	------------------------------	---------------------

Discussion: The project description of the General Plan on pages 2-1 through 2-18 demonstrates that the Plan is not intended to encourage substantial growth or significant changes in land use that would displace existing populations. Population and housing related impacts are covered under the assessment of land use impacts in the General Plan FEIR on pages 3-2.1 through 3.2-8. The Economic Element does not propose any amendments to the land use designations assigned by the General Plan but establishes policies to ensure the most efficient use of the land within the RUL designated commercial and industrial. The Economic Element recognizes the need for pursuing a jobs-housing balance and the need for maintaining a housing stock affordable and desirable for the jobs that would result from the economic strategy. Policies that support industries with higher paying jobs and job training for residents will enhance the existing population's ability to stay and continue to afford housing in Napa. The Element includes housing related policies that recognize the continuing need for affordable housing and the text notes that the success of the City's economic development policies and programs is dependent on the availability of housing that meets the economic needs of the full range of workers. Policies that support mixed use development will further enable the possibilities for broadening the housing options possible with new development. The Economic Element will not result in any new or increased impact not already addressed in the General Plan FEIR and considered by the City when certifying the FEIR and making findings for adoption of the General Plan. The General Plan Housing Element and the pending 2001 update, establish, and will continue to address, housing issues and include policies and implementation programs to respond to current trends and conditions.

General Plan & Economic Element Mitigating Policies: All of the policies in the Land Use and Housing Elements of the General Plan. *Economic Element Policies:* ED-1.4, ED-1.5, ED-1.A, ED-2.A, ED-6.1, ED-6.2, ED-6.A.

Standard Mitigation Measures: None

Conclusion: The Economic Element will not result in new impacts related to population and housing not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and policies proposed in the Economic Element.

XIII. PUBLIC SERVICES. *Would the project:*

a. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services including:				X
i) Fire Protection?				X
ii) Police Protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other Public Facilities?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
Discussion: Public Services related impacts are assessed in the General Plan FEIR in the "Community Services and Utilities" section on pages 3.4-1 through 3.4-17. Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from relative sections of the Community Services Chapter of the General Plan. The Economic Element does not change any of the land use assumptions that were the basis of the General Plan EIR analysis and future individual development that may result from implementation of the Economic Element will be subject to the city's standard conditions and mitigation measures from Policy Resolution 27. These measures address project specific impacts related to community services. Policies in the Economic Element that promote the efficient development and redevelopment of infill properties will allow for the more efficient use of existing infrastructure and reduce the burden on all facets of community services. General Plan & Economic Element Mitigating Policies: All policies in the Community Services Element of the General Plan. <i>Economic Element Policies:</i> ED-1.1, ED-1.2, ED-1.6, ED-1.B. Standard Mitigation Measures: Policy Resolution 27: Public Services Mitigation Measures 1-6 Conclusion: The Economic Element will not result in new impacts related to community services and utilities not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan.				
XIV. RECREATION. Would the project:				
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that a substantial physical deterioration of the facility would occur or be accelerated?				X
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?				X
Discussion: The Parks and Recreation Element of the General Plan was previously adopted and carried forward in the 1998 General Plan. A separate EIR, prepared for that element, is referenced in the General Plan EIR and adequately evaluates and addresses impacts in the category of recreation. The Economic Element does not affect the City's ability to implement the policies of the Parks and Recreation Element and does not introduce new impacts in terms of demand, not already considered by the EIR prepared for that element. Future individual development projects that may result from implementation of the Economic Element will also be subject to the City's standard conditions and mitigation measures from Policy Resolution 27 that address project specific impacts related to park and recreation services. The Economic Element includes policies related to entertainment and public spaces to complement economic development and enhance the City's identity and character. These policies can be viewed as additional mitigations to balance the built environment resulting from economic development. General Plan & Economic Element Mitigating Policies: All Policies in the Parks and Recreation Element of the General Plan. <i>Economic Element Policies:</i> ED-3.7, ED-3.9, ED-3.11, ED-3.G, ED-3.H, ED-4.1. Standard Mitigation Measures: None Conclusion: The Economic Element will not result in new impacts related to recreation not already evaluated in the Parks and Recreation EIR as referenced in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the proposed Economic Element.				
XV. TRANSPORTATION/TRAFFIC. Would the project:				
a) Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?				X
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersection) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Result in inadequate parking capacity				X
g) Conflict with adopted policies supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X

Discussion: Transportation related impacts are assessed in the General Plan FEIR on pages 3.3-1 through 3.3-15.

Impact discussion of this subject is at a program, citywide level and includes references to applicable mitigating policies from relative sections of both the Land Use and Transportation Elements of the General Plan. The Economic Element does not propose an expansion of commercial and industrial designated land within the RUL but instead provides policies that strengthen the General Plan goals for efficient use of existing lands within the RUL, in this case, for optimum economic development. Actual development intensity on a site by site basis may eventually be different than what was assumed for the General Plan traffic model; however the basic land use assumptions related to citywide circulation are not changed by the Economic Element and therefore, will not change the results of the program level modeling of the circulation system conducted for the General Plan FEIR. Future development that may occur as a result of implementation of Economic Element policies will be subject to individual CEQA review to evaluate project level transportation impacts and the City's standard conditions and mitigation measures from Policy Resolution 27 that address project specific impacts, including the required payment of street improvement fees, will be imposed. It should be noted that the Economic Element includes policies to complement those in the Transportation Element of the General Plan by promoting mixed use, alternate transportation modes, and visual enhancement of major transportation corridors. (See discussion and policy references under Section III, Air Quality in this Initial Study)

General Plan & Economic Element Mitigating Policies: All Policies in the Transportation Element of the General Plan. *Economic Element Policies:* ED-1.4, ED-1.5, ED-1.6, ED-1.A, ED-3.1, ED-7.1, ED-7.2, ED-7.3, ED-7.4, ED-7.A, ED-7.B, ED-7.C, ED-7.D.

Standard Mitigation Measures: Policy Resolution 27: Transportation/Traffic Mitigation Measures 1-5

Conclusion: The Economic Element will not result in new impacts related to citywide circulation not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan and the policies proposed in the Economic Element.

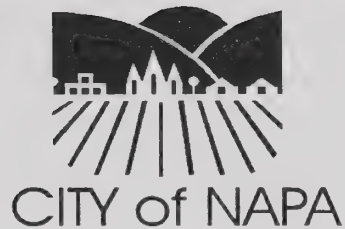
XII. Utilities and Service Systems. <i>Would the project:</i>				
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X

Environmental Issue Area	Potentially Significant Impact, Unmitigated	Potentially Significant Impact, Mitigated	Less Than Significant Impact	No Change in Impact
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g. Comply with federal, state, and local statutes and regulations related to solid waste?				X
Discussion: See discussion, policy references and conclusion under Section XIII, "Public Services" in this Initial study. General Plan & Economic Element Mitigating Policies: See policy references under Section XIII, "Public Services" in this Initial Study. Standard Mitigation Measures: Policy Resolution 27: Utilities and Service Systems Mitigation Measures 1-12. Conclusion: The Economic Element will not result in new impacts related to community services and utilities not already evaluated in the General Plan FEIR and addressed by the mitigating policies of the General Plan.				

XVI. Mandatory Findings of Significance.	
a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	No
b. Does the project have impacts which are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in conjunction with the effects of past projects, the effects of other current projects and the effects of probable future projects.)	No
c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	No
Discussion: The Economic Element promotes the efficient use of existing commercial and industrial land within the RUL and does not change the basic land use assumptions used for environmental analysis in the General Plan FEIR. The Element provides policies that clarify the economic development goals originally adopted under Goal LU-11 of the Land Use Element and provides supporting policies to guide the City in making future decisions regarding economic development. The goals, policies and programs of the Economic Element are consistent with and complement the other policies and programs of the General Plan and as such, future development that may result from implementation of the economic strategy will be mitigated by the policies contained in the General Plan. The Economic Element will not result in any new or increased impact not already addressed in the General Plan FEIR and considered by the City when certifying the FEIR and making findings for adoption of the General Plan.	

SOURCES of Information used in preparation of this initial study include:

City of Napa; Policy Resolution 27 as amended 10/5/99.
City of Napa; *General Plan Policy Document*, Adopted December, 1998.
City of Napa; *General Plan Background Report*, Adopted December, 1998.
City of Napa; *General Plan Final Environmental Impact Report*, Adopted December, 1998.
City of Napa; *Economic Strategic Plan*, July 1999
City of Napa; *Zoning Ordinance*, Amended 1996.
Draft Economic Element, Policy Document and Background Chapter, 12/99
CC Resolutions 98-238 and 98-239



Draft
Economic Element
Policy Document

to the
City of Napa General Plan
Adopted December 1, 1998

December 1999

DRAFT ECONOMIC ELEMENT POLICY DOCUMENT

TABLE OF CONTENTS

INTRODUCTION	1
LAND DEVELOPMENT POTENTIAL	2
Goal 1	2
Policies ED-1.1 through ED-1.6	2
Implementation Programs ED-1.A through ED-1.E	3
BUSINESS RETENTION/EXPANSION	5
Goal 2	5
Policies ED-2.1 through ED-2.2	5
Implementation Programs ED-2.A through ED-2.G	6
RETAIL/DOWNTOWN	7
Goal 3	7
Policies ED-3.1 through ED-3.11	7
Implementation Programs ED-3.A through ED-3.H	9
TOURISM/HOSPITALITY	11
Goal 4	11
Policies ED-4.1 through ED-4.6	11
Implementation Programs ED-4.A through ED-4.C	12
CORPORATE PARK/OFFICE	13
Goal 5	13
Policies ED-5.1 through ED-5.7	13
Implementation Programs ED-5.A through ED-5.E	14
HOUSING	16
Goal 6	16
Policies ED-6.1 through ED-6.2	16
Implementation Programs ED-6.A	16
CIRCULATION AND ACCESS	17
Goal 7	17
Policies ED-7.1 through ED-7.4	17
Implementation Programs ED-7.A through ED-7.D	18
OTHER GENERAL PLAN CHANGES	19

INTRODUCTION

The city of Napa is a significant force within the Napa county economy, which is in turn an integral part of the overall San Francisco Bay Area economy. While the historic strength of the regional economy is in agriculture and the wine industry, a number of emerging industries have begun playing an increasingly larger role in Napa's economy.

Each sector of the economy has an important role to play in building and maintaining a thriving community with an outstanding quality of life. Office-based businesses -- including high technology firms, financial services, and professional services -- generate a wide range of jobs and increase personal income, but have relatively modest fiscal impacts. The retail sector has relatively low wages, but is a major contributor to the City's budget since it has high sales tax revenues. The tourism/hospitality sector also has relatively low wages, but on a per-acre basis has the greatest positive impact on the City's budget.

Based on the City's Economic Strategic Plan, accepted by the City Council in July 1999, this chapter seeks to achieve a diverse blend of economic activity that benefits local residents while serving markets and visitors from around the world. The Economic Strategic Plan was developed through an extensive process with a working group of business and community leaders, as well as public workshops with the community, the Planning Commission, and the City Council. The process was informed by numerous interviews with community members, and an in-depth analysis of the city's economy and market opportunities which may be found in the Background Report (which is to be included as a new chapter in the General Plan Background Report).

Within the constraints of a limited land supply, the strategy calls for Napa to serve as the location of choice for a number of the nation's leading edge high technology firms and their suppliers, as well as a premier overnight destination for domestic and international visitors in Northern California. And, it is to offer a variety of retail goods and services to residents, workers and visitors alike. The overall goal is to continue to enhance the quality of life for Napa residents.

These major components of the local economy must be supported by a supply of housing affordable to the local workforce, quality education and training programs, adequate transportation and infrastructure systems, and a quality of life that is vibrant and attractive to the diverse population of the city.

Major Economic Development Objectives

- *An economic base that includes a broad mix of businesses that provides a range of employment types, career opportunities and wage scales.*
- *A balanced economic base that minimizes the impact of a cyclical downturn in one or more of the major sectors of the economy.*
- *An economic base that improves the quality of life for Napa residents.*

LAND DEVELOPMENT POTENTIAL

Napa's physical expansion is limited by the Rural Urban Limit (RUL) established by this General Plan. Within the RUL, Napa is nearing build-out and has a limited supply of land available for commercial, industrial, and corporate development. Many vacant parcels have environmental or other constraints. Existing development on some parcels is reaching economic obsolescence. It is therefore critical that the city uses its land strategically. Accordingly, this section promotes efficient use of large vacant parcels, mixed-use development of land and buildings, full use of underutilized land, reuse of existing buildings, and provision of incentives for high employment-generating uses on key development/redevelopment sites.

GOAL 1: To maximize the use of Napa's limited non-residential land supply for employment-generating and revenue-generating uses.

POLICIES

- ED-1.1** The City shall encourage the full and efficient utilization of vacant and underutilized parcels in appropriately designated areas to support the development and expansion of targeted industrial and commercial facilities.
- ED-1.2** The City shall encourage the reuse, recycling, and redevelopment of existing developed parcels in appropriately designated areas to support the development of targeted industrial and commercial facilities.
- ED-1.3** The City shall support the preservation and rehabilitation of existing historic structures for commercial use.
- ED-1.4** The City shall promote mixed-use development which combines in creative ways residential and non-residential uses within neighborhoods and districts, within single projects, or within individual structures.
- ED-1.5** The City shall encourage developers of larger commercial projects to provide for on-site mixed uses that would allow employees and residents to make non-work-related trips (e.g., banking, lunch, dry cleaning, recreation, child care) without having to use their automobiles.
- ED-1.6** The City shall provide incentives for private reinvestment in underutilized commercial areas where adequate infrastructure exists.

IMPLEMENTATION PROGRAMS

ED-1.A The City and Redevelopment Agency shall undertake a study to further define mixed-use (e.g., by parcel or by area), identify mixed-use opportunities throughout the city, test the feasibility of various forms of mixed-use development, and provide guidance to property owners and developers on applying mixed-use concepts.

Responsibility: Planning Department
Redevelopment/Economic Development Department

Timeframe: FY 99-00; 00-01

ED-1.B The City shall conduct a thorough inventory of vacant and underutilized land designated for commercial and industrial uses and identify opportunities for predevelopment (i.e., toxic investigation, site assembly, right-of-way improvements) to facilitate development of key sites.

Responsibility: Planning Department
Redevelopment/Economic Development Department

Timeframe: FY 01-02

ED-1.C The City and Redevelopment Agency shall work with property owners, brokers, and local and regional organizations to develop a program of marketing strategies for key development/redevelopment sites.

Responsibility: Redevelopment/Economic Development Department
Timeframe: FY 99-00; 00-01

ED-1.D To monitor site availability and to respond to inquiries from business marketing prospects, the City in cooperation with local property owners and real estate brokers, shall continue to maintain and regularly update the property database developed in Implementation Program ED1.B.

Responsibility: Redevelopment/Economic Development Department
Planning Department

Timeframe: Ongoing

ED-1.E The City and Redevelopment Agency shall develop a zoning incentive program (which may include flexible development standards, shared parking, fast-track processing, and the like) to facilitate development or redevelopment of key sites by high-employment-generating uses and high value-added businesses.

Responsibility: Planning Department
Redevelopment/Economic Development Department

Timeframe: FY 01-02; 02-03

BUSINESS RETENTION/EXPANSION

One of Napa's most significant challenges is to maintain a diversified local economy with an extremely limited supply of land and workers. Business retention is the most cost-effective economic development strategy for meeting this challenge. The city has a diverse economic base comprising commercial, industrial, corporate, institutional, and governmental businesses. The city has a healthy business climate where many new jobs can be created through the expansion of existing businesses. Napa is also fortunate to be located in one of the most popular tourist areas in the state, which broadens the city's economic base. The existing business community will serve as the foundation for Napa's economic growth in the future.

GOAL 2: To retain existing businesses, particularly those that contribute to meeting Napa's strategic economic goals, and to facilitate their expansion as appropriate.

POLICIES

- ED-2.1** The City shall take a leadership role in developing a proactive business retention program that addresses issues affecting all business sectors.
- ED-2.2** The City shall support efforts of the local education and training agencies to create partnerships with businesses to train the local workforce with the skills needed to support business expansion. Such programs should include internship and mentorship opportunities as well as customized curriculum and training programs.

IMPLEMENTATION PROGRAMS

- ED-2.A** The City shall work with the Napa Valley Economic Development Corporation, Chamber of Commerce, Napa Valley College Small Business Development Center, Napa Downtown Association, and educational institutions to implement marketing and educational programs supporting business retention strategies.

Responsibility: Redevelopment/Economic Development Department

Timeframe: Ongoing

- ED-2.B** The City will review annually its available incentives, programs, and marketing materials to determine if they continue to be effective in helping retain and expand the existing businesses.

Responsibility: Redevelopment/Economic Development Department

Timeframe: Ongoing

- ED-2.C** The City shall establish an Economic Development Action Team composed of key departments and outside organizations to respond to urgent or substantial needs of existing businesses.
- Responsibility: Redevelopment/Economic Development Department
City Manager
- Timeframe: FY 00-01
- ED-2.D** The City shall work with the Chamber of Commerce to create a business transition program so that viable businesses can more easily change ownership as the owners wish to sell.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: FY 00-01; 01-02
- ED-2.E** The City shall work with the Chamber of Commerce to explore the possibility of creating a local business pool to develop a small business group benefits package.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: FY 00-01; 01-02
- ED-2.F** The City shall conduct a survey of the businesses in the corporate park to determine their anticipated needs and relocation considerations, identify related businesses or other issues, and develop recommendations on how to respond.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: FY 00-01; 01-02
- ED-2.G** The City shall continue to work with Napa Valley Economic Development Corporation to implement its cluster program and add new clusters as appropriate.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: Ongoing

RETAIL/DOWNTOWN

Retail development is a vital part of the city of Napa's economic well being. The Economic Strategic Plan envisions a prosperous commercial sector catering to the consumer preferences and tastes of current and future residents as well as outstanding venues for a variety of cultural, recreational and entertainment experiences.

A strong retail sector is the City's top economic priority primarily to improve shopping convenience and selection for local residents and to reduce the need for Napers to leave the community for significant purchases. Retail development also provides a significant contribution to the City budget. Although retail businesses create many jobs, the income levels are generally lower. They do, however, provide an important source of entry-level and part-time work opportunities.

Napa is the regional commercial center for all of the communities up valley. Napa is particularly successful in capturing sales in certain apparel categories, office equipment, home improvements, and autos. This creates the opportunity to provide a better selection of shopping opportunities for local residents than would otherwise be possible. However, despite its regional market position, the city is estimated as of 1997 to lose about \$377 million in sales leakages. The market area spending is projected to grow about 25 percent by 2002 and by 70 percent out to the year 2020. As of 1997, it is estimated that existing retail businesses could capture nearly \$170 million of the current leakage through a variety of expansion opportunities. This may include expanded facilities, but in many cases better marketing, product selection, and pricing would help to increase sales.

Downtown plays a central role in Napa's economy both geographically and functionally. It serves the needs of both residents and visitors in an attractive pedestrian environment. With the completion of the Flood Protection Project and the development of the American Center for Wine, Food and the Arts, and the possible redevelopment of the Napa Valley Expo, Downtown should play an increasingly important role as the tourism/hospitality hub of Napa, attract additional hotel development and cultural and entertainment revenues, and expand its retail offerings for both residents and visitors.

GOAL 3: To attract a diversity of retail uses throughout the city that complements and broadens the existing mix of retail uses.

POLICIES

- ED-3.1** The City shall work to improve the retail mix in the city to better serve the resident population and to reduce sales leakages.
- ED-3.2** In its business recruitment efforts, the City shall emphasize retail development that complements and expands the existing mix of retail uses in Napa.

- ED-3.3** The City shall support the physical enhancement of the auto sales industry along Soscol Avenue.
- ED-3.4** The City shall support the development and expansion of specialty food stores and restaurants to meet the varying tastes of the diverse population of the region as well as the growing number of visitors to the area.
- ED-3.5** The City shall support the development and expansion of specialty retail businesses in Downtown that cater to visitors and residents alike. Off-price and discount stores are discouraged in Downtown due to high square footage and parking requirements that are unlikely to be accommodated there.
- ED-3.6** The City shall support expansion of the existing mix of commercial uses in neighborhoods to include quality, convenience, and community-serving retail uses.
- ED-3.7** Recognizing the importance of Downtown to the city's image, the City shall ensure that Downtown infrastructure, public facilities, and public areas are well maintained. The City shall also provide ongoing code enforcement in Downtown.
- ED-3.8** The City shall support creative public and private solutions to providing parking facilities and non-automobile access to Downtown. The City shall strive to maintain an adequate inventory of parking facilities Downtown.
- ED-3.9** The City and Redevelopment Agency shall work closely with the Napa County Flood Control and Water Conservation District and U.S. Army Corps of Engineers to ensure the Downtown Reach of the Flood Protection Plan is consistent with the City's waterfront vision, maximizes pedestrian access to the riverfront, and ensures continuity of design among all the flood protection features including the river trail, bypass channel, flood walls, bridges, and Veteran's Park.
- ED-3.10** The City shall work closely with the Napa County Flood Control and Water Conservation District, property owners, and businesses to minimize the potential disruption to businesses caused by the extensive construction that will be a part of the Flood Protection Project.
- ED-3.11** The City shall support the development of additional entertainment venues, special events, and recreational opportunities in the downtown area.

IMPLEMENTATION PROGRAMS

- ED-3.A** The City shall work with the Napa Valley Economic Development Corporation, the Napa Downtown Association, brokers, property owners, retailers, and lenders to develop a recruitment/marketing strategy for a diversity of retail businesses in the city, including specific retail recruitment targets, locational requirements, available sites, and possible incentive packages. Initial targets should include: restaurants/ specialty food stores; home furnishings; home improvements; new cars; and apparel, shoe, gift, jewelry, music, cameras/electronic stores, and entertainment venues.

Responsibility: Redevelopment/Economic Development Department

Timeframe: FY 99-00; 00-01

- ED-3.B** The City shall establish a Downtown maintenance fund with revenue generated by new hotels.

Responsibility: Finance Director
City Manager
City Council

Timeframe: FY 00-01; 01-02

- ED-3.C** The City shall regularly evaluate parking and access needs Downtown in light of the growing local- and visitor-shopper base.

Responsibility: Redevelopment/Economic Development Department
Planning Department
Public Works Department

Timeframe: Ongoing

- ED-3.D** The City shall coordinate efforts with the Chamber of Commerce, the Napa Downtown Association, and Napa Valley Economic Development Corporation to provide information and assistance to existing merchants in terms of market trends affecting their businesses and developments at competitive commercial centers in the region.

Responsibility: Redevelopment/Economic Development Department

Timeframe: Ongoing

- ED-3.E** The City shall prepare a mitigation plan aimed at minimizing the potential disruption to businesses caused by the construction that will be a part of the Flood Protection Project. Among other issues, the plan shall provide for ample notice to property owners and tenants of construction schedules and disruptions.

Responsibility: Redevelopment/Economic Development Department
Public Works Department

Timeframe: FY 00-01 and ongoing

- ED-3.F** The City shall designate an ombudsman to assist property owners and tenants throughout the construction process in addressing the impacts of the Flood Protection Project.

Responsibility: Redevelopment/Economic Development Department

Timeframe: FY 00-01 and ongoing

- ED-3.G** The City and Redevelopment Agency shall adopt and implement design guidelines requiring high-quality public and private development along the Downtown riverfront, Soscol Avenue, and Silverado Trail, and in the Oxbow District.

Responsibility: Redevelopment/Economic Development Department
Planning Department

Timeframe: FY 99-00 and ongoing

- ED-3.H** The City shall investigate the formation and marketing of a downtown arts and cultural district.

Responsibility: Redevelopment/Economic Development Manager
Planning Department

Timeframe: FY 00-01; 01-02

TOURISM/HOSPITALITY

The city of Napa is blessed with many amenities such as its natural beauty, small town atmosphere, and distinguished wine industry which attracts many visitors to the area every year. If the City is to capitalize on the benefits of spending from these visitors, it must continue to develop into a destination in its own right. The tourist/hospitality sector attracts visitor spending that generates additional sales taxes and a wide range of job opportunities, as well as creating demand for cultural attractions that enhance the quality of life for residents.

Visitors who stay overnight in the city bring much greater economic benefits than those who simply visit while staying elsewhere in the wine country. In addition to creating jobs and bringing visitor dollars into the city, this type of development is needed to help maintain a positive balance in the City budget. The best fiscal benefit for the City per acre of development is derived from hotel uses that pay transient occupancy taxes (TOT) and also generate retail spending from visitors. A key strategy for this industry countywide is to encourage existing visitors to extend their stays and increase their spending in the area. This generates additional income for the local economy while minimizing the added congestion that more visitors would bring.

The policies and implementation programs in this section focus on capturing visitor activity in the city by expanding the hotel market, creating additional conference and convention space, and promoting Napa as a visitor destination.

GOAL 4: To help local businesses capture visitor dollars that are not currently finding their way to the city of Napa, thereby increasing revenue to local businesses and the City.

POLICIES

- ED-4.1** The City shall continue to promote the city of Napa as a visitor destination and to develop stronger links to regional and national tourist markets.
- ED-4.2** The City shall work with the Napa Valley Conference and Visitors Bureau and the local business community to develop programs to increase the development of the tourism industry in the area.
- ED-4.3** The City shall support the activities of the Napa Valley Expo to develop as a mixed-use facility with a conference center hotel that complements historic downtown. If the Napa Expo plans do not ultimately include a major convention and visitors facility, the City shall promote the development of such a venue elsewhere in the city.

- ED-4.4** The City shall promote and facilitate hotel development within the city limits, particularly in Downtown. The City's hotel development strategy shall encompass a variety of lodging types to meet the needs of the diverse visitor market attracted to the Napa Valley. The City should specifically promote hotel development that includes meeting facilities for small conferences.
- ED-4.5** The City shall work with the Napa Downtown Association and the Napa Premium Stores to develop stronger linkages and referrals to local businesses.
- ED-4.6** The City shall encourage the development of bed and breakfast inns in historic structures.

IMPLEMENTATION PROGRAMS

- ED-4.A** The City shall work with the Napa Valley Conference and Visitors Bureau Board and members to identify potential tourism-oriented market opportunities and to develop stronger links to regional and national tourist markets.

Responsibility: Redevelopment/Economic Development Department

Timeframe: Ongoing

- ED-4.B** The City shall identify potential hotel site(s) within the city, particularly in Downtown; evaluate the hotel market to determine the best type of hotel(s) for the site(s); and work with the property owners to overcome potential barriers to development and market the site(s). The City shall consider conference space in conjunction with the evaluation of hotel uses.

Responsibility: Redevelopment and Economic Development Manager

Timeframe: FY 99-00; 00-01

- ED-4.C** The City shall work with the Napa Valley Expo to evaluate and facilitate a possible conference center and hotel development. (See also NGPPD LU-11.11).

Responsibility: Redevelopment/Economic Development Manager

Timeframe: FY 99-00 and ongoing

CORPORATE PARK/OFFICE

While retail businesses and the hospitality industry are the best sources of tax revenues for the City and create many jobs, the wage levels in these sectors are generally lower because many are entry level and part-time work opportunities. Conversely, heavy industry, high technology, and corporate and office development generally produce higher paying jobs. Attracting these types of firms can provide stability for the local economy and a solid working wage for local workers.

Technology business sectors currently enjoy a strong market with many expansion opportunities as well as secondary buyer/supplier networks. It is, therefore, an area with opportunities for small businesses as well as larger ones. Another business cluster with strong prospects in Napa is specialty food manufacturing, which complements the wine and hospitality sectors. There may also be cottage industry opportunities in this sector suitable for areas in and around Downtown. Larger operations could locate in the Corporate Park as well as along mixed-use corridors such as California Street. The Corporate Park has relatively few sites left, particularly in comparison to the large business park tracts developing near the County Airport, although the city has a small area zoned for these uses on Highway 29.

GOAL 5: To attract and expand industrial, high technology, regional-serving office development that diversifies the local economy and produces higher-wage jobs.

POLICIES

- ED-5.1** Recognizing that business conditions are often turbulent in emerging, high technology industries, the City shall endeavor to maintain close links with corporate leaders to monitor business conditions and identify issues in which the City may be of assistance. Such communication may occur through a variety of means, including the industry cluster program, other regular meetings hosted by City officials, and website and e-mail contacts.
- ED-5.2** The City shall encourage development of creative business models such as incubators and cottage industries that exemplify the abundant natural and economic resources in the region such as specialty foods, crafts and art, household items, and light manufacturing of components for both historical and emerging industries.
- ED-5.3** The City shall work to remove barriers to development of constrained sites. Such efforts may include cataloging the issues that need resolution, providing technical assistance or referrals for title issues, easement or other minor real estate matters, or assisting in identifying funding sources for infrastructure improvements, hazardous materials clean-up, etc.

- ED-5.4** The City shall focus available incentives and business assistance services on attracting and retaining firms in industries that typically provide high-quality employment, good wages, and strong career advancement opportunities, generate strong tax revenues, or fill a critical market niche.
- ED-5.5** The City shall ensure that its permit processing services operate efficiently for all types of business development projects and that plan check personnel have adequate training in the requirements of cutting-edge technology firms.
- ED-5.6** The City should continue to coordinate with local business lenders and agencies such as Napa Valley Economic Development Corporation to maintain an efficient financial service delivery system.
- ED-5.7** The City shall encourage and support effort to provide support services such as child care and health services near employment centers.

IMPLEMENTATION PROGRAMS

- ED-5.A** The City shall promote in its marketing programs the training, mentorship, and internship programs available in Napa to assist new and existing businesses in recruiting and retaining qualified workers from the local labor force.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: Ongoing
- ED-5.B** The City shall work with the Corporate Park broker and Napa Valley Economic Development Corporation on developing a focused marketing effort for the key sites remaining in the Corporate Park to ensure that a signature development is attracted.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: FY 00-01 and ongoing
- ED-5.C** The City shall work with Napa Valley Economic Development Corporation and the business clusters to establish a joint effort for analyzing the market demand and feasibility of establishing small business incubators in Napa.
- Responsibility: Redevelopment/Economic Development Department
- Timeframe: FY 00-01; 01-02

ED 5-D. As non-residential site reuse opportunities emerge, the City shall evaluate opportunities for establishing additional sites for corporate/business park development.

Responsibility: Redevelopment/Economic Development Department
Planning Department

Timeframe: Ongoing

ED 5-E. The City shall maintain an evaluation procedure to obtain feedback from permit applicants to determine if City services are consistent with the needs of businesses as well as the City's regulatory requirements.

Responsibility: Redevelopment/Economic Development Department
Planning Department
Public Works Department

Timeframe: FY 99-00 and ongoing

HOUSING

Since the gap between Napa residents' incomes and the cost of housing has widened, the increasing demand for affordable housing is one of the highest needs for the residents of Napa. Both rental and ownership housing affordability is a major issue for residents within the city.

The success of the City's economic development policies and programs is dependent on the availability of housing that meets the economic needs of the full range of workers in the city and throughout the county. While the General Plan creates a land use balance between jobs and housing within the city, the City must be diligent through its Housing Element and programs with other jurisdictions to ensure that the proper economic mix of housing opportunities is provided within the city and countywide.

GOAL 6: To ensure, to the extent possible, that a full range of housing is available in the city to accommodate the growth in employment generated by the successful implementation of the City's economic strategy.

POLICIES

- ED-6.1** The City shall closely coordinate its housing strategy with its Economic Strategic Plan to promote development of a mix of housing types to meet the needs of Napa's existing and future workforce.
- ED-6.2** The City shall work with the County and the other cities to address regional housing needs.

IMPLEMENTATION PROGRAMS

- ED-6.A** In updating its Housing Element, as required in 2001, the City shall use the economic development policies of the General Plan and the City's Economic Strategic Plan as a basis for outlining a strategy of housing development, rehabilitation, and affordability.

Responsibility: Planning Department
Redevelopment/Economic Development Department
Housing Authority

Timeframe: FY 00-01

CIRCULATION AND ACCESS

Napa is part of a regional network of jobs, labor force, housing, and visitor attractions which is tied together by the circulation system. For some time now Napa and the rest of the county has experienced heavy congestion during commute times and peak visitor periods. The City must participate in regional solutions to maintain satisfactory and safe traffic conditions on area highways.

Access to and circulation within Downtown Napa is another area of concern for the City. Despite the fact that Highway 29 is a widely utilized entryway to the city, access is better from Soscol Avenue, which is the closest major arterial to the Downtown area. The City has taken preliminary steps to promote Soscol as a major entry and gateway to the Downtown through the Soscol Avenue/Riverfront Design Guidelines. However, other circulation routes may also need to be improved or modified to better facilitate the increased traffic flow that can be expected with the completion of the Flood Protection Project, the American Center for the Wine, Food and the Arts and reuse of the Napa Valley Expo property. Continued steps should be taken to assure good circulation and access to the city and Downtown both during the Flood Protection Project and in the future.

The policies and implementation measures in this section reinforce and supplement the goals, policies, and implementation measures of the Transportation Element.

GOAL 7: To improve regional access to Napa and local access throughout the city.

POLICIES

- ED-7.1.** The City shall improve visual, transit, and pedestrian linkages between Downtown and existing tourist/visitor destinations such as the Wine Train, American Center for the Wine, Food and the Arts, Napa Valley Expo, the Napa Premium Stores, and other future visitor-oriented development.
- ED-7.2** The City shall continue to work closely with the Napa County Transportation Planning Agency (NCTPA) and others to address regional and local transportation issues.
- ED-7.3** The City shall work with downtown property owners and businesses to improve access into and through the commercial districts in the city.
- ED-7.4** The City shall work with property owners and business owners along major transportation corridors and at the gateway to Downtown to enhance the streetscape, including designing public improvements within the corridors in a consistent and aesthetic manner.

IMPLEMENTATION PROGRAMS

- ED-7.A** The City and Redevelopment Agency shall prepare and develop a design program for Downtown that includes visual, pedestrian, and vehicular signage; specific pedestrian circulation projects; anchors; entry markers; and other area-defining qualities that enhance the linkages and access between the historic Downtown area with key surrounding places.

Responsibility: Redevelopment/Economic Development Department
Planning Department

Timeframe: FY 98-01

- ED-7.B** The City shall work with the Napa County Transportation Planning Agency to implement the portions of the Transportation Management Strategic Plan under its jurisdiction or within its funding capacity, as well as to coordinate on other transportation programs that improve city and regional circulation.

Responsibility: Redevelopment/Economic Development Department
Public Works Department

Timeframe: FY 99-00 and ongoing

- ED-7.C** The City and Redevelopment Agency shall work with Caltrans to prepare and implement a set of capital projects for the Soscol Avenue/Silverado Trail area consistent with the recommendations of the Soscol Avenue/Silverado Trail Design Guidelines.

Responsibility: Redevelopment/Economic Development Department
Public Works Department

Timeframe: FY 02-03

- ED-7.D** The City shall establish design guidelines for transportation projects at key city gateways and in Downtown that achieve a higher standard for these critical locations. Such guidelines shall address frontage amenities that improve the appearance of gateway areas as well as pedestrian amenities that encourage community and visitor enjoyment of special locations and spaces.

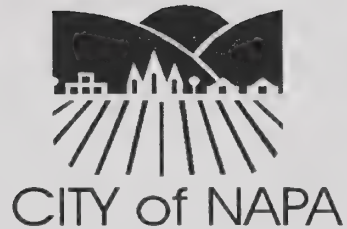
Responsibility: Redevelopment/Economic Development Department
Public Works Department

Timeframe: FY 99-00; 00-01

OTHER GENERAL PLAN CHANGES

Revise the section heading “Economic Development/Nonresidential Development” (Chapter 1, Land Use, page 1-16) to read simply “Nonresidential Development.”

Delete the entire section “Economic Development Strategies” (Chapter 1, Land use, pages 1-24 to 1-26). (These policies and programs are carried over in the new Economic Development chapter).



Draft Background Report

Chapter 9 Economic Development

to the
**City of Napa General Plan
Adopted December 1, 1998**

December 1999

TABLE OF CONTENTS

CHAPTER 9: ECONOMIC DEVELOPMENT

LIST OF TABLES	9-1
PREFACE	9-2
INTRODUCTION	9-3
ECONOMIC BASE AND LABOR FORCE.....	9-3
Structure of the Local Economy	9-3
Leading Industries	9-5
Industry Clusters	9-7
Food and Beverage Cluster.....	9-8
Technology Cluster.....	9-10
Description of the Labor Force	9-11
Sources of Income	9-13
Education	9-14
LAND USE OPPORTUNITIES.....	9-15
Developable Commercial Land Inventory	9-15
Corporate/Office Job Creation Potential.....	9-15
Resulting Housing Demand	9-15
RETAIL/COMMERCIAL DEVELOPMENT	9-16
Primary Market Area.....	9-16
Napa's Retail Base.....	9-16
City Household and Worker Retail Demand.....	9-17
Market Capture and Leakage for the Primary Market Area.....	9-17
Secondary Market Area.....	9-19
Napa County Household Income and Spending.....	9-19
Visitor Spending	9-20
Market Capture and Leakage for the Secondary Market Area.....	9-20
Retail Market Projections to 2002	9-24
Market Characteristics	9-24
Market Capture and Leakage.....	9-24
Retail Market Projections to 2020	9-27
Expansion Potential	9-28
Retail Space Demand and Planning Implications	9-28
TOURISM AND HOSPITALITY INDUSTRY CLUSTER.....	9-30
Industry Cluster Overview	9-30
City of Napa's Market Position	9-33
Proposed Additions to Napa's Visitor-Serving Infrastructure	9-33
JOBS/HOUSING BALANCE.....	9-35
Population and Housing Growth	9-35
Projected City and County Jobs/Housing Balance.....	9-36
Impact of Job Growth on Housing Demand	9-37
APPENDIX 1: Economic Working Group, Consultant Team, City Staff	9-39
BIBLIOGRAPHY	9-40

LIST OF TABLES

CHAPTER 9: ECONOMIC DEVELOPMENT

Table ED-1	Economic Activity by Industry Sector In Napa County, 1996	9-4
Table ED-2	Employment Growth and Income Distribution By Industry Group, 1991 to 1996.....	9-5
Table ED-3	Growing Economic Base Industries With High Concentration and Relative Employment Growth.....	9-6
Table ED-4	Emerging Industries With High Relative Employment Growth and Low Concentration.....	9-7
Table ED-5	Declining Economic Base Industries With High Concentration and Low Relative Employment Growth	9-8
Table ED-6	Employment Indicators For Food and Beverage Industry Cluster, 1991 to 1996.....	9-9
Table ED-7	Occupational Distribution For Food and Beverage Industry Cluster	9-9
Table ED-8	Employment Indicators For Technology Cluster.....	9-10
Table ED-9	Occupational Distribution For Technology Cluster Industries.....	9-11
Table ED-10	Labor Force By Industry Sector, 1980 and 1990	9-12
Table ED-11	Labor Force By Occupation, City of Napa, Napa County, and California, 1980 to 1990.....	9-12
Table ED-12	Average Wages By Industry Group, 1996	9-13
Table ED-13	Sources of Income, 1979 to 1989.....	9-14
Table ED-14	Educational Attainment, 1990.....	9-14
Table ED-15	Retail Store Spending In Napa, 1997.....	9-18
Table ED-16	Retail Store Spending In Napa and Surrounding Areas, 1997.....	9-21
Table ED-17	Retail Store Spending In Napa, 2002 Projection	9-23
Table ED-18	Retail Store Spending In Napa and Surrounding Areas, 2002 Projection	9-26
Table ED-19	New Store Development Opportunities In The City of Napa.....	9-27
Table ED-20	Projected Annual Income and Population Growth Rates.....	9-27
Table ED-21	Retail Store Spending In Napa, 2020 Projection	9-29
Table ED-22	Estimated Visitors To Napa County	9-30
Table ED-23	Employment Indicators For Tourism and Hospitality Industry Cluster, 1991-96.....	9-32
Table ED-24	Population Changes, 1990 to 1997.....	9-35
Table ED-25	Projected Jobs/Housing Balance	9-36
Table ED-26	Comparison of Housing Demand by Employment Type.....	9-37

Chapter 9

Economic Development

Preface

The City of Napa's General Plan, "Envision Napa 2020," was adopted December 1, 1998. The General Plan consists of two documents: the Policy Document and the Background Report. The Policy Document features goals, policies and implementation programs for each of the General Plan elements -- land use, housing, transportation, community services, parks and recreation, historic resources, natural resources, and health and safety. The Background Report provides a description and detailed information on the existing conditions and provides a basis for the policies and programs in the Policy Document.

During the process to develop the new General Plan, which was a comprehensive update of the 1982 General Plan, the Napa Chamber of Commerce expressed the need for an economic element to the General Plan to assess the city's economic position and to create a strategic plan for continued economic health. In response, the City of Napa's Economic Development Department lead the effort to create the City's first-ever Economic Strategic Plan and Economic Element. In early 1999, the City Manager and staff assembled an Economic Working Group comprised of leaders in the industries that make up Napa's economy. Appendix 1 provides a roster of the Economic Working Group members and the respective industries they represent. The City retained the services of Applied Development Economics (ADE) to assist with data collection and analysis, facilitation of close to 30 interviews with business community members, and facilitation of regular meetings with the Economic Working Group.

City staff and ADE worked with the Economic Working Group to prepare an Economic Strategic Plan for the City of Napa. The draft Economic Strategic Plan was presented at a community workshop and at a joint work study session of the City Planning Commission and City Council. In July 1999, the City Council adopted the Economic Strategic Plan. The Plan establishes the framework for the draft Economic Element, and was the primary topic for the Chamber of Commerce-sponsored 1999 Economic Summit.

The information contained in this Background Report is a compilation of the information and data that was used to form the Economic Strategic Plan and the draft Economic Element. The draft Economic Element establishes policies and implementation programs for economic development in the city. While it recognizes the importance of supporting components to the economy -- housing, transportation, services such as workforce education and childcare -- it does not attempt to address or solve issues related to these areas. Other elements of the General Plan set policies for several of these components and will be updated as required. The City will continue to work with key organizations in the community to address these and other important factors that affect the economy and the community's quality of life.

INTRODUCTION

This background chapter address the economic opportunities and issues facing Napa. It provides the background analysis for the Economic Strategic Plan as well as the draft Economic Element of the General Plan. The first section describes the economic base of the region and the city's labor force. The economic base analysis provides a framework and context for the more detailed market analyses in later sections. It addresses broad issues such as the relative contribution of various economic sectors to the job base, and to business and personal income in the city. It also describes the key business clusters in the region which are the sources of much of the future job growth potential for the city. This section is followed by a discussion of the jobs housing balance in the city and county. The final two sections in the chapter provide more detailed market analysis of retail and tourism development business opportunities.

It is important to mention that throughout this document, numerous references are made to existing conditions in the county as well as the city. Much of the data that was gathered was available on a county level. It is also important to consider the city within the broader county context. However, the findings in this background report were used to form policies and implementation steps for the City of Napa, not the County. The City recognizes the importance of working in a collaborative effort with the County as well as other cities to address common issues such as workforce preparation, transportation and housing.

ECONOMIC BASE AND LABOR FORCE

Structure of the Local Economy

The city of Napa is a significant force within the Napa county economy, which is in turn an integral part of the overall San Francisco Bay Area economy. Although a number of emerging industries have begun generating significant employment in recent years, the historic strength of the regional economy is in the agriculture and wine industries.

As shown in Table ED-1, in 1996 Napa County was a \$6 billion economy. Manufacturing is the leading industry group with about \$1.6 billion in economic activity, about two-thirds of which can be attributed to wine production. Of the \$351 million in agricultural production, 70 percent is also in wine grape production, which has shown a 36 percent increase in production value since 1990. Other industry groups generating over \$500 million in economic activity are construction; retail trade (non-tourist); finance, insurance, real estate (FIRE), and services (non-tourist). Visitor/tourist spending accounts for another \$540 million. This revenue goes into a number of industry categories, mostly accommodations, eating and drinking places, transportation, recreation, specialty retail, and food stores.

Table ED-1 Economic Activity by Industry Sector Napa County, 1996	
Industry Sector	1996 Adjusted Revenue
Manufacturing	\$1,560,315,498
Services (non-tourist)	\$916,440,454
FIRE	\$737,742,902
Retail Trade (non-tourist)	\$726,345,165
Tourism	\$549,010,000
Construction	\$504,938,025
Agriculture	\$351,020,531
Government	\$316,102,720
TCU (non-tourist)	\$229,045,240
Wholesale Trade	\$176,187,078
Mining	\$25,995,563
TOTAL	\$6,093,143,175

Source: ADE, data from IMPLAN, State Board of Equalization, Dean Runyan Assoc.

Note: TCU - transportation, communications utilities; FIRE - fire insurance, real estate; data adjusted to consumer and producer price indexes.

In 1996, Napa county had more than 50,000 jobs, which represents an 11.6 percent growth in employment between 1991 and 1996 (see Table ED-2). Between 1991 and 1996, the industries in Napa county with the highest employment average annual growth rates were wholesale trade and manufacturing. All other industries added employment, except for construction and mining, each of which had an average annual employment decline of over 4 percent.

Total employment for the city of Napa is about 26,700. A proportionally high amount of this goes to retail trade, FIRE, construction, and services. Industry segments where Napa has proportionally less employment include agriculture, manufacturing, and wholesale trade. The trends for the city were similar to the county except that the growth rate in manufacturing and wholesale trade was slightly lower. As with the county, most other industries except for construction and mining added employment between 1991 and 1996. Overall, city employment grew by four percent, compared to the 11.6 percent growth for the county.

Table ED-2 also shows the distribution of the wage and salary income by industry. The industries that generate the most income in both the city and county of Napa are manufacturing, retail trade and services. However, because manufacturing generates a higher income per employee, its share of the total income is higher in the county than in the City of Napa due to more of the manufacturing employment being outside the city sphere. In addition, due to their relatively low income per employee, retail trade industries do not account for as large a share of the total wage and salary income as their share of the overall employment would indicate.

Table ED-2
Employment Growth and Income Distribution By Industry Group
City of Napa and Napa County, 1991 to 1996

NAPA COUNTY								
Industry Group	1991 Empl.	1996 Empl.	Empl. Change	Percent Change	1996 Percent of Total	Annual Empl. Growth	1996 Wage and Salar Income	Percent of Total Income
Napa County Total	45,963	50,089	4,326	11.6%	100.0%	1.6%	\$1,046,072,576	100.0%
Agriculture	4,010	4,189	179	4.5%	8.4%	0.6%	\$75,671,312	7.2%
Mining	134	93	(41)	-30.6%	0.2%	-5.1%	\$4,544,674	0.4%
Construction	2,940	2,179	(761)	-25.9%	4.4%	-4.2%	\$64,043,376	6.1%
Manufacturing	5,726	7,702	1,976	34.5%	15.4%	4.3%	\$263,064,992	25.1%
TCU	1,255	1,367	112	8.9%	2.7%	1.2%	\$50,033,672	4.8%
Wholesale Trade	1,120	1,797	677	60.4%	3.6%	7.0%	\$53,676,236	5.1%
Retail Trade	8,072	9,001	929	11.5%	18.0%	1.6%	\$135,164,512	12.9%
FIRE	1,766	1,858	92	5.2%	3.7%	0.7%	\$66,323,984	6.3%
Services	12,279	13,496	1,217	9.9%	26.9%	1.4%	\$333,425,056	31.9%
Government	8,600	8,400	(200)	-2.3%	16.8%	-0.1%	n/a	n/a
CITY of NAPA								
City of Napa Total	25,697	26,756	1,060	4.1%	100.0%	1.1%	\$521,332,097	100.0%
Agriculture	533	570	37	6.9%	2.1%	1.0%	\$10,302,667	2.0%
Mining	18	13	(5)	-28.9%	0.0%	-4.8%	\$618,758	0.1%
Construction	1,951	1,350	(600)	-30.8%	5.0%	-5.1%	\$39,682,379	7.6%
Manufacturing	1,975	2,483	508	25.7%	9.3%	3.3%	\$84,823,513	16.3%
TCU	833	847	14	1.7%	3.2%	0.2%	\$31,001,725	5.9%
Wholesale Trade	386	579	193	50.0%	2.2%	6.0%	\$17,307,536	3.3%
Retail Trade	5,875	6,517	643	10.9%	24.4%	1.5%	\$97,867,121	18.8%
FIRE	1,172	1,151	(20)	-1.7%	4.3%	-0.3%	\$41,095,483	7.9%
Services	7,249	8,040	791	10.9%	30.0%	1.5%	\$198,632,915	38.1%
Government	5,706	5,205	(501)	-8.8%	19.5%	0.1%	n/a	n/a

Source: ADE, data from MIG ES202 County data files

City of Napa employment estimated from ABAG Projections 98

Leading Industries

Growing economic base and emerging industries hold the key to Napa's economic future. These are the industries that have demonstrated strong performance in recent years, and have strong potential for future employment growth.

The growing economic base industries are those industries that had both high concentration factors, and strong employment growth, relative to the state. As shown in Table ED-3, industries fitting this description include beverage manufacturing, drug manufacturing, construction industries, and a large number of visitor-serving industries.

Table ED-3
Growing Economic Base Industries (50 or more employees)
With High Employment Concentration and Relative Employment Growth
Napa County, 1991 to 1996

SIC	INDUSTRY	SIC	INDUSTRY
	AGRICULTURE/LIVESTOCK		WHOLESALE TRADE
075	Animal services, except veterinary	502	Furniture and homefurnishings
	CONSTRUCTION INDUSTRIES	517	Petroleum and petroleum products
162	Heavy construction, except highway	518	Beer, wine, and distilled beverages
172	Painting and paper hanging		FINANCE, INSURANCE, REAL ESTATE
176	Roofing, siding, and sheet metal work	641	Insurance agents, brokers, and service
177	Concrete work	651	Real estate operators and lessors
179	Misc. special trade contractors	655	Subdividers and developers
	FOOD PRODUCT MANUFACTURING		BUSINESS SERVICES
208	Beverages	732	Credit reporting and collection
	TECHNOLOGY INDUSTRIES	733	Mailing, reproduction, stenographic
283	Drugs		HEALTH SERVICES
	OTHER MANUFACTURING	805	Nursing and personal care facilities
244	Wood Containers	806	Hospitals
305	Hose, belting, gaskets, packing	836	Residential care
327	Concrete, gypsum, and plaster products		OTHER SERVICES
361	Electric distribution equipment	832	Individual and family services
399	Miscellaneous manufactures	833	Job training and related services
	VISITOR-SERVING INDUSTRIES		TRANSPORTATION AND UTILITIES
458	Airports, flying fields	422	Public warehousing and storage
472	Passenger transportation arrangement		
411	Local and suburban transportation		
541	Grocery stores		
546	Retail bakeries		
581	Eating and drinking places		
599	Misc. retail stores		
701	Hotels and motels		
703	Camps and recreational vehicle parks		
792	Producers, orchestras, entertainers		

Source: ADE, data from MIG ES202 County data files

Emerging industries are those industries that have not yet accumulated a critical mass in terms of employment concentration, but have at least demonstrated above average growth in employment. While they have shown strong potential, industries in this category are in their infancy. The emerging industries in Napa county include a number of professional services, wholesale distribution industries, various transportation services, and a couple of technology-oriented industries. The full list of these industries is on Table ED-4.

Table ED-4
Emerging Industries (50 or more employees)
With High Relative Employment Growth and Low Concentration
Napa County, 1991 to 1996

SIC	INDUSTRY	SIC	INDUSTRY
173	CONSTRUCTION Electrical work	501	WHOLESALE TRADE Motor vehicles, parts, and supplies
205	FOOD PRODUCTS MANUFACTURING Bakery products	506	Electrical goods
	OTHER MANUFACTURING	508	Machinery, equipment, and supplies
239	Misc. fabricated textile products	513	Apparel, piece goods, and notions
271	Newspapers	514	Groceries and related products
275	Commercial Printing	519	Misc. nondurable goods
384	TECHNOLOGY INDUSTRIES Medical instruments and supplies	871	PROFESSIONAL SERVICES Engineering & architectural services
737	Computer and data processing services	872	Accounting, auditing, & bookkeeping
421	TRANSPORTATION AND UTILITIES Trucking & courier services	873	Research and testing services
451	Air transportation, scheduled	874	Management and public relations
493	Combination utility services	811	Legal service
621	FINANCE, INSURANCE, REAL ESTATE Security brokers and dealers	735	OTHER SERVICES Misc. equipment rental & leasing
633	Fire, marine, and casualty insurance	736	Personnel supply services
		808	Home health care services

Source: ADE, data from MIG ES202 County data files

Industry Clusters

In addition to the growing base and emerging industries, Napa county also has a number of declining economic base industries (see Table ED-5). These are industries that have historically served as the base of the Napa county economy with high concentrations of employment, but have had a decline in employment in recent years. Industries fitting this description are relatively few, and are largely concentrated in agricultural services, certain construction industries, and educational services. Only one manufacturing and one visitor-serving industry were declining base industries.

Industry clusters consist of one or more core industries accompanied by their supplier industries. Core industries represent economic sectors that have high local employment concentration and/or demonstrate strong employment growth. Suppliers to these core industries may or may not currently exist in Napa County, which may present a business attraction opportunity.

The Napa county economy has a number of industries represented, however its base and emerging industries generally fall into one of three industry clusters -- food/beverage, hospitality and tourism, and technology. These clusters were initially identified through a process coordinated by the Napa Valley

Table ED-5 Declining Economic Base Industries (50 or more employees) With High Employment Concentration And Low Relative Employment Growth Napa County, 1991 to 1996	
SIC	INDUSTRY
	AGRICULTURAL SERVICES
074	Veterinary services
076	Farm labor and management services
078	Landscape and horticultural services*
	CONSTRUCTION
144	Sand and gravel
152	General building contractors
	MANUFACTURING
344	Fabricated structural metal products
	VISITOR-SERVING INDUSTRIES
799	Misc. amusement, recreation services*

Source: ADE, data from MIG ES202 County data files

Note: Industries marked with asterisks ('*') are growing industries, but grew at a slower rate than the statewide average.

Economic Development Corporation, and our analysis confirms that the strength of the Napa county economy is in these clusters. It should be noted that the cluster data on employment and commodity inputs reflects countywide patterns.

The following sections discuss the food/beverage and technology industry clusters. The hospitality cluster is discussed in Section 4 below.

Food and Beverage Cluster

Even with the increasing diversity of the Napa region's economy, the most dominant industry cluster relates to food and beverage. For this report, we have included wine and agricultural production as part of this cluster due to their historic strength within the regional economy, the Napa region's continuing prominence at a statewide level in these industries, and the strong prospects for continued growth.

With a 1996 employment base of nearly 4,800 and industry output of over \$1.1 billion, the wine industry alone accounts for over one-tenth of Napa county's employment, and one-sixth of the total industrial output (see Table ED-6). Moreover, this industry has an employment concentration 78 times greater than the statewide industry average. In addition, wine grapes account for 97 percent of the total agriculture and livestock production in the county.

Table ED-6
Employment Indicators For Food and Beverage Industry Cluster
Napa County, 1991 to 1996

SIC	Description	1991 Empl.	1996 Empl.	Empl. Change	Percent Change	Percent of Total	Concentration Factor	Relative Growth
	All Industries Total	37,363	41,689	4,326	11.6%	100.0%	1.00	8.43%
201	Meat products	0	5	5	n/a	0.0%	0.08	n/a
203	Preserved fruits and vegetables	0	100	100	n/a	0.2%	0.56	n/a
205	Bakery products	1	67	66	n/a	0.2%	0.77	n/a
2084	Wines, brandy, and brandy spirits	3,246	4,842	1,596	49.2%	11.6%	78.59	25.41%
2085	Distilled and blended liquors	0	26	26	n/a	0.1%	23.42	n/a
2086	Bottled and canned soft drinks	210	74	(136)	-64.8%	0.2%	2.05	-69.67%
	Food/Beverage Cluster Total	3,457	5,114	1,657	47.9%	12.3%	11.91	51.89%

Source: ADE, data from MIG ES202 County data files

Note: Compares the concentration of employment in Napa County relative to California -- a factor above 1.00 indicates Napa County has a higher employment concentration than California in a particular industry, while a factor below 1.00 indicates a lower concentration. A positive figure indicates employment in Napa County for a particular industry grew faster (or declined slower) than California, while a negative figure indicates employment in Napa County grew slower (or declined faster) than California.

Other food and beverage industries have shown significant employment growth, but do not dominate the way that the wine industry has. In addition, the food and beverage cluster is not yet especially strong in the diversity of its product offerings. However, as noted in the NVEDC report, food and non-alcoholic beverage production are largely in their infancy, and the cluster as a whole has a number of ongoing trends and a strong existing infrastructure working in its favor. These trends include new facilities and institutes related to food production and preparation; existing markets in Napa's restaurants and specialty food stores; and Napa's high-end reputation and name recognition.

As shown in Table ED-7, about two-thirds of the occupational employment in the food and beverage cluster is in production and operations. The other occupational categories each comprise less than 10 percent of the total employment.

Table ED-7
Occupational Distribution For Food/Beverage Cluster Industries

SIC	Description	Managerial/ Admin	Professional/ Technical	Sales	Clerical	Services	Production/ Operators
201	Meat products	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%
203	Preserved fruits and vegetables	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%
205	Bakery products	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%
2084	Wines, brandy, and brandy spirits	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%
2085	Distilled and blended liquors	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%
2086	Bottled and canned soft drinks	5.7%	4.0%	6.1%	9.1%	3.9%	66.1%

Source: ADE, data from EDD Occupational Employment Statistics

Technology Cluster

Industries comprising this cluster in Napa county include drug manufacturing, computer hardware and software, and data processing services. These industries all showed significant employment growth between 1991 and 1996, with the employment nearly tripling during this period to about 720 jobs in 1996. This represents about 2 percent of the Napa county private sector employment (see Table ED-8).

This cluster is still at a very early developmental stage. For example, as of 1996 Napa County did not show any employment in electronic component manufacturing. In addition, except for drug manufacturing, all of the individual industries in the cluster had concentrations of employment that were less than half the statewide averages. With a 1996 employment of over 400, drug manufacturing clearly dominates the technology cluster in Napa county. Most if not all of this employment can be attributed to one company.

Table ED-8
Employment Indicators For Technology Cluster
Napa County, 1991 to 1996

SIC	Industry Group	1991 Empl.	1996 Empl.	Empl. Change	Percent Change	Percent of Total	Concentration Factor	Relative Growth
	All Industries Total	37,363	41,689	4,326	11.6%	100.0%	1.00	8.43%
283	Drugs	79	408	329	416.5%	1.0%	3.93	389.56%
357	Computer and office equipme	0	109	109	n/a	0.3%	0.33	n/a
382	Measuring and controlling de	45	19	(26)	-57.8%	0.0%	0.08	-53.37%
384	Medical instruments and supp	46	58	12	26.1%	0.1%	0.38	31.25%
385	Ophthalmic goods	2	2	0	0.0%	0.0%	0.10	17.91%
737	Computer and data processin	71	121	50	70.4%	0.3%	0.17	6.93%
	Technology Cluster Total	243	717	474	195.1%	1.7%	0.46	176.57%

Source: ADE, data from MIG ES202 County data files

Note: Concentration factor compares employment in Napa County relative to California: a factor above 1.00 indicates that Napa County has a higher employment concentration than California in a particular industry; a factor below 1.00 indicates a lower concentration.

Relative growth measures the employment growth of Napa County relative to California: a positive figure indicates employment in Napa County for a particular industry grew faster (or declined slower) than California, while a negative figure indicates Napa grew slower.

The technology cluster industries have a much greater distribution of professional/ technical occupations than most of the industries in the other two clusters. Drug manufacturing, which comprises most of the employment in this cluster, has a lower proportion of professional/technical occupations than most of the other technology cluster industries, but still has a large proportion compared to industries in other clusters. In addition, all of the industries in this cluster, except for computer and data processing, have a substantial number of jobs in production and operations occupations (see Table ED-9). Computer and data processing occupations are more focused in the clerical and services occupations. They have a lower, but still sizable, proportion of occupations in the professional/technical category.

Table ED-9
Occupational Distribution For Technology Cluster Industries

SIC	Industry Group	Managerial/ Admin	Professional/ Technical	Sales	Clerical	Services	Agriculture	Production/ Operators
283	Drugs	10.6%	16.8%	6.2%	15.5%	1.1%	0.5%	49.4%
357	Computer and office equipment	11.7%	26.3%	2.8%	11.8%	0.6%	0.0%	46.8%
382	Measuring and controlling devices	14.8%	38.0%	4.0%	12.7%	0.9%	0.0%	29.5%
384	Medical instruments and supplies	14.8%	38.0%	4.0%	12.7%	0.9%	0.0%	29.5%
385	Ophthalmic goods	14.8%	38.0%	4.0%	12.7%	0.9%	0.0%	29.5%
737	Computer and data processing	7.0%	16.1%	8.3%	32.5%	23.8%	0.1%	12.1%
	Technology Cluster Total	10.6%	20.5%	5.8%	17.5%	4.8%	30.0%	40.5%

Source: ADE, data from EDD Occupational Employment Statistics

Description of the Labor Force

Table ED-10 shows the employment of residents in the city of Napa, as well as Napa county. The labor force in Napa city grew by 13 percent between 1980 and 1990, while in Napa county it grew by 22 percent. Over one-third of residents in both the city and county work in services industries while other dominant employing industry groups include manufacturing and retail trade.

Occupationally, the most significant increases in Napa's labor force have been in the agricultural and managerial occupations, each of which grew by over 50 percent between 1980 and 1990 (see Table ED-11). These two occupational categories were also the only ones that increased their share of the overall labor force during this period.

Table ED-10
Labor Force by Industry Sector
City of Napa, Napa County, 1980 and 1990

CITY of NAPA					
Industry Sector	1980	Percent of Total	1990	Percent of Total	Percent Change
	Employed Residents		Employed Residents		
Total employed persons 16 years and over	26,233	100.0%	29,601	100.0%	12.8%
Agriculture	500	1.9%	1,377	4.7%	175.4%
Mining	26	0.1%	42	0.1%	61.5%
Construction	1,754	6.7%	2,369	8.0%	35.1%
Manufacturing	4,510	17.2%	4,006	13.5%	-11.2%
TCU	1,650	6.3%	1,765	6.0%	7.0%
Wholesale Trade	755	2.9%	766	2.6%	1.5%
Retail Trade	5,010	19.1%	5,319	18.0%	6.2%
FIRE	1,507	5.7%	1,882	6.4%	24.9%
Services	9,084	34.6%	10,462	35.3%	15.2%
Public Administration	1,427	5.4%	1,613	5.4%	13.0%
NAPA COUNTY					
Total employed persons 16 years and over	42,988	100.0%	52,533	100.0%	22.2%
Agriculture	1,949	4.5%	3,311	6.3%	69.9%
Mining	102	0.2%	94	0.2%	-7.8%
Construction	3,017	7.0%	3,958	7.5%	31.2%
Manufacturing	7,194	16.7%	7,242	13.8%	0.7%
TCU	2,493	5.8%	2,907	5.5%	16.6%
Wholesale Trade	1,179	2.7%	1,357	2.6%	15.1%
Retail Trade	7,432	17.3%	8,691	16.5%	16.9%
FIRE	2,249	5.2%	3,201	6.1%	42.3%
Services	15,317	35.6%	19,321	36.8%	26.1%
Public Administration	2,056	4.8%	2,451	4.7%	19.2%

Notes: TCU: Transportation, communications, and public utilities; FIRE: Finance, insurance, and real estate

Source: ADE, based on 1980 Census and 1990 Census

Table ED-11
Labor Force By Occupation
City of Napa, Napa County, and California, 1980 to 1990

Occupational Category	City of Napa			Napa County			California		
	1980 Persons	1990 Persons	1990 % of Total	1980 Persons	1990 Persons	1990 % of Total	1980 Persons	1990 Persons	1990 % of Total
Managerial/professional	4,952	7,788	26.3%	10,034	14,731	28.0%	2,671,761	3,996,504	28.6%
Technical, sales, and administrative	6,987	8,484	28.7%	12,017	14,609	27.8%	3,469,277	4,536,833	32.4%
Service occupations	4,445	4,746	16.0%	7,671	8,272	15.7%	1,340,307	1,733,777	12.4%
Farming, forestry, and fishing	454	1,220	4.1%	1,883	2,775	5.3%	301,515	382,369	2.7%
Precision production, craft, and repair	3,421	3,918	13.2%	6,067	6,171	11.7%	1,313,308	1,548,625	11.1%
Operators, fabricators, and laborers	3,036	3,445	11.6%	5,316	5,975	11.4%	1,544,237	1,798,201	12.8%
Employed persons 16 years and over	23,295	29,601	100%	42,988	52,533	100%	10,640,405	13,996,309	100%

Source: ADE, based on 1980 Census and 1990 Census

Sources of Income

Compared to the rest of the state, Napa county's 1996 average annual payroll per employee of \$25,000 is significantly lower than the statewide average of \$31,200 (see Table ED-12). Moreover, the payroll for jobs in the county are lower than the statewide averages across all major industry groups, except for agriculture. This probably explains the high commute rate out of the county, given that housing in the city and county is relatively expensive while salaries are relatively low. With a 1996 average income per employee of \$48,900, mining is the highest paying industry sector in Napa county. However, mining is also the smallest industry group in the county.

Table ED-12 Average Wages by Industry Group Napa County and California, 1996						
Industry Group	Napa County			California		
	1996 Employment	1996 Payroll	Payroll Per Employee	1996 Employment	1996 Payroll	Payroll Per Employee
Agriculture	4,189	\$75,671,312	\$18,064	495,608	\$7,366,569,984	\$14,864
Mining	93	\$4,544,674	\$48,867	625,593	\$1,560,512,896	\$54,222
Construction	2,179	\$64,043,376	\$29,391	28,780	\$16,456,353,792	\$32,636
Manufacturing	7,702	\$263,064,992	\$34,155	1,836,942	\$73,137,373,184	\$39,815
TCU	1,367	\$50,033,672	\$36,601	732,276	\$24,097,900,544	\$38,520
Wholesale trade	1,797	\$53,676,236	\$29,870	3,845,850	\$29,420,658,688	\$39,433
Retail trade	9,001	\$135,164,512	\$15,017	746,093	\$38,459,076,608	\$17,276
FIRE	1,858	\$66,323,984	\$35,696	504,237	\$31,709,902,848	\$43,303
Services	13,496	\$333,425,056	\$24,705	2,226,190	\$122,299,392,000	\$31,800
Total	41,689	\$1,046,072,576	\$25,092	11,077,100	\$345,440,190,464	\$31,185

Notes: TCU: Transportation, communications, and utilities; FIRE: Finance, insurance, and real estate

Source: ADE, based on MIG 1996 ES 202 data

The Napa county industry groups with above-average incomes per employee are construction; manufacturing; wholesale trade; finance, insurance, and real estate (FIRE); transportation, communications, and utilities (TCU); and mining. The largest employment category is services, and its average payroll of \$24,700 is slightly below the overall average.

In regard to sources of income, Napa households had only a slightly lower proportion of their incomes come from wages and salaries, compared to the state. Napa also derived slightly higher proportions of their income from social security, compared to the state (see Table ED-13). In comparison with Napa county, Napa households had a notably lower proportion of their average income deriving from self-employment, farm, and interest income.

Table ED-13
Sources of Income
City of Napa, Napa County, and California, 1979 to 1989

Type of Income (dollar values in millions)	City of Napa			Napa County			California		
	1979 Income	1989 Income	% of Total	1979 Income	1989 Income	% of Total	1979 Income	1989 Income	% of Total
Wage or salary	\$351.7	\$706.0	70.9%	\$560.6	\$1,266.3	66.0%	\$144,267.7	\$356,867.4	74.2%
Nonfarm self-employment	\$32.4	\$73.4	7.4%	\$79.2	\$193.9	10.1%	\$15,073.2	\$40,392.1	8.4%
Farm self-employment	\$1.4	\$1.4	0.1%	\$6.7	\$16.7	0.9%	\$1,097.3	\$1,698.5	0.4%
Interest, dividend, or net rental	\$29.2	\$78.1	7.8%	\$66.4	\$196.3	10.2%	\$13,418.3	\$37,303.8	7.8%
Social security	\$22.8	\$50.5	5.1%	\$44.4	\$94.4	4.9%	\$7,994.4	\$18,109.1	3.8%
Public assistance	\$4.1	\$10.0	1.0%	\$6.3	\$13.9	0.7%	\$2,511.7	\$5,813.1	1.2%
Other income	\$37.4	\$76.6	7.7%	\$65.7	\$135.6	7.1%	\$9,413.9	\$20,769.8	4.3%
Total	\$479.1	\$996.0	100%	\$829.3	\$1,917.2	100%	\$193,776.4	\$480,953.8	100%

Source: ADE, based on 1980 Census and 1990 Census

Dollar values in millions

Education

Among the 1990 working age residents in Napa, less than 20 percent of them did not finish high school, as shown in Table ED-14. Compared to the 24 percent of California residents that did not finish high school, the work force in Napa has an above-average educational attainment. This trend holds up until the comparison is made in regard to residents with four years or more of college. In this instance, Napa has a lower educational attainment than the statewide average, with only 12 percent of the working age population having four years of college or more, versus 15 percent statewide.

Table ED-14
Educational Attainment
City of Napa, Napa County, and California, 1990

Educational Attainment	City of Napa		Napa County		California	
	1990 Persons	% of Total	1990 Persons	% of Total	1990 Persons	% of Total
Less than 9th grade	3,262	8.0%	5,785	7.7%	2,085,905	11.2%
9th to 12th grade, no diploma	4,615	11.3%	8,710	11.6%	2,364,623	12.6%
High school graduate (or equivalent)	10,624	26.0%	18,399	24.5%	4,167,897	22.3%
Some college	14,586	23.0%	25,538	21.7%	5,710,400	19.8%
Four years of college or more	7,851	12.4%	16,773	14.3%	4,366,674	15.2%
Total persons aged 25 and over	40,938	100.0%	75,205	100.0%	18,695,499	100.0%

Source: ADE, based on 1990 Census

LAND USE OPPORTUNITIES

Within its rural urban limit line, the city has about 112 acres in developable vacant properties designated for non-residential development (not including Stanly Ranch). Approximately 32 acres of this land is in the Corporate Park and another 27.5 acres are in a corporate park designation located on the west side of Highway 29. The total vacant land inventory has the capacity to support 3,200 jobs, which is less than half of the projected long-term (20-year) demand for retail, hotel, and industrial/office development, and is about 25 percent of the total projected job growth to 2020. Of these 3,200 jobs, a little over half (1,766) would occur through the development of land designated for industrial/business park use, and would include ancillary retail, office and corporate hotel development. The remaining jobs created through vacant land development would be in health care, retail, hospitality, small business, home office, and other service industries.

Business park uses such as manufacturing and high technology create high-quality jobs with higher wages. It will be important to carefully consider the types of development that will occur on the precious remaining corporate park sites in relation to job creation. Uses such as storage facilities and warehouses utilize a high proportion of land in relation to jobs created.

There is considerable potential for additional jobs through reuse and intensification of existing developed properties. Both the City's General Plan capacity analysis and the Association of Bay Area Government's projections indicate the potential for a total of more than 12,000 new jobs. Nearly 9,000 of these jobs would be created on currently developed and underutilized parcels.

The housing demand generated by the 3,200 jobs on vacant sites over the next 10 years or so would be mostly for market-rate housing. The number of units in demand is well within the residential development capacity of the General Plan Land Use Element. The Economic Element will recommend programs including job training and first-source hiring that can further reduce the housing impact for low- and very low-income households, which remains a critical challenge for the City and will be addressed in the Housing Element.

RETAIL COMMERCIAL

This section details the findings from Applied Development Economics' retail market analysis for the City of Napa. The analysis includes estimations of retail spending by Napa households and employees. In addition, the analysis adds the effects of retail spending by other Napa County households and by visitors to the county. The balance between the spending and the actual retail sales in Napa indicates how much of the retail spending potential in Napa's market area goes to establishments outside the city. This section concludes with a projection of retail opportunities out to the year 2020.

Primary Market Area

For purposes of this analysis, the market area for Napa's retail establishments consists of four constituent groups -- (1) Napa city households, and (2) employees working in Napa, which together make up the primary market area; (3) Napa county households, and (4) tourists/visitors, which make up the secondary market. First, households in the city of Napa make up the majority of the primary market area. These households represent the largest market segment and the group most likely to shop at retail establishments in Napa. The other constituent group that defines the primary market area is employees working in Napa.

In addition to households and employees in the city of Napa, Napa's secondary retail market area consists of the two other constituent groups -- households residing in the remainder of Napa county, and tourist visitors. The households living in the remainder of Napa county are a smaller constituent group than city residents. While these households are likely to shop in Napa for regional comparison goods such as cars and apparel, they will shop closer to home for less specialized retail categories such as grocery stores. Residents of American Canyon are excluded from this group because they are more likely to shop in Vallejo and Fairfield for regional comparison goods. Finally, the fourth group in the analysis is the tourist visitor. Spending in this category falls into a specific range of store types, such as eating places and specialty retail.

Napa's Retail Base

With approximately \$700 million in 1997 retail store sales in Napa, the city's retail base is very diverse and has strong showings in a broad range of retail categories. As shown in the sales data (see Table ED-15), the overall strength of the Napa retail establishments varies by store type. The largest single retail category is food stores, which had approximately \$186 million in total sales in 1997. The other retail categories that generated over \$50 million in 1997 sales are eating places, new car and RV

dealers, gasoline service stations, and department/discount stores.

However, sales alone do not provide a complete measure on how a particular retail segment is performing and how much expansion/attraction opportunity exists. In order to gauge the performance of Napa's retail market, the analysis needs to weigh the actual sales against the market demand. This retail "leakage" measure shows how well the individual retail categories capture sales from the various market segments, and shows where opportunities exist for business expansion and/or attraction.

City Household and Worker Retail Demand

The city of Napa constitutes the bulk of the primary market area, with nearly 26,000 households in 1997.

With an estimated 1997 mean household income of just under \$56,900, households in the City of Napa account for about \$545 million in annual retail spending. Employees working in Napa contribute another \$46 million in retail spending.

Categorically, the retail spending in the primary market area is highly concentrated in the food and eating places categories. Over three-quarters of the employee spending falls into this category. Napa households and employees combined for about \$122 million in spending at food stores in 1997, while spending an additional \$59 million at local eating establishments. Other dominant retail spending categories include new car dealerships, gasoline service stations, and department/discount stores.

Market Capture and Leakage for the Primary Market Area

Compared against the \$699 million in 1997 retail sales generated by local establishments, Napa has an overall excess retail capture of about \$139 million when only accounting for the primary market area.¹ Clearly, Napa's retail base has a market reach that extends beyond the city boundaries.

¹ Excess retail market capture occurs when retail establishments comprising a specific store type(s) generate more in sales than the defined market generates in demand. In Napa, this means that sales come from outside the defined market area. Leakage means that the market area generates more demand for a specified store type than local establishments can supply.

Table ED-15
Retail Store Spending in Napa Primary Market, 1997

Retail Category	City of Napa Household Spending	Napa Employee Spending	Total Retail Spending	Taxable Sales	Actual Sales	Sales Leakages
TOTAL	\$514,632,256	\$45,754,572	\$560,386,828	\$513,922,000	\$699,824,927	(\$139,438,099)
Apparel Store Group	\$29,423,704	\$848,545	\$30,272,249	\$52,598,400	\$52,598,400	(\$22,326,151)
Adult Apparel*	\$12,595,167	\$363,230	\$12,958,397	\$14,649,200	\$14,649,200	(\$1,690,803)
Family Clothing	\$10,693,230	\$308,380	\$11,001,611	\$31,031,000	\$31,031,000	(\$20,029,389)
Shoe Stores	\$6,135,307	\$176,935	\$6,312,242	\$6,918,200	\$6,918,200	(\$605,958)
General Merchandise Group	\$103,502,421	\$2,984,890	\$106,487,311	\$84,960,000	\$105,795,256	\$692,055
Limited Price Variety Stores	\$2,526,462	\$72,860	\$2,599,322	\$0	\$0	\$2,599,322
Department & Dry Goods	\$60,395,997	\$1,741,750	\$62,137,747	\$69,633,700	\$76,185,667	(\$14,047,920)
Discount Stores	\$33,678,450	\$971,247	\$34,649,697	n/a	n/a	
Department Stores	\$25,851,348	\$745,523	\$26,596,871	n/a	n/a	
Other General Merch./Drug Stores*	\$40,579,962	\$1,170,279	\$41,750,241	\$15,326,300	\$29,609,588	\$12,140,653
Specialty Retail Group	\$33,315,446	\$960,779	\$34,276,225	\$61,720,900	\$61,866,690	(\$27,590,465)
Gifts/Jewelry*	\$6,331,815	\$182,602	\$6,514,417	\$4,879,000	\$4,930,462	\$1,583,955
Sporting Goods	\$3,286,138	\$94,768	\$3,380,906	\$7,569,300	\$7,584,469	(\$4,203,563)
Florists	\$1,454,422	\$41,944	\$1,496,366	\$2,310,000	\$2,321,608	(\$825,242)
Photographic Equipment	\$657,913	\$18,973	\$676,887	\$0	\$0	\$676,887
Records & Music	\$3,979,865	\$114,775	\$4,094,640	\$2,642,900	\$2,642,900	\$1,451,740
Books & Stationery	\$2,391,437	\$68,966	\$2,460,403	\$6,522,600	\$6,529,129	(\$4,068,726)
Office & Computer Equipment	\$2,065,574	\$59,569	\$2,125,143	\$14,679,400	\$14,694,094	(\$12,568,951)
Other Specialty	\$13,148,282	\$379,181	\$13,527,463	\$23,117,700	\$23,164,028	(\$9,636,565)
Food, Eating and Drinking Group	\$157,549,852	\$35,456,729	\$193,006,582	\$127,441,000	\$288,298,148	(\$95,291,566)
Food Stores	\$118,546,992	\$3,567,786	\$122,114,778	\$52,581,700	\$185,801,060	(\$63,686,282)
Supermarkets	\$112,902,777	\$3,255,985	\$116,158,762	n/a	n/a	
Convenience Stores	\$5,644,215	\$162,773	\$5,806,988	n/a	n/a	
Specialty Food Stores	\$6,351,503	\$149,028	\$6,500,532	\$3,508,400	\$23,389,333	(\$16,888,802)
Delicatessens	\$636,657	\$18,360	\$655,018	n/a	n/a	
Meat & Fish Markets	\$1,869,348	\$53,910	\$1,923,257	n/a	n/a	
Fruit & Vegetable Markets	\$667,350	\$19,246	\$686,596	n/a	n/a	
Retail Bakeries	\$1,994,273	\$57,513	\$2,051,786	n/a	n/a	
Misc. Specialties	\$1,183,874	\$34,142	\$1,218,016	n/a	n/a	
Liquor Stores	\$4,223,122	\$121,790	\$4,344,912	\$1,953,000	\$1,998,976	\$2,345,936
Eating Places	\$28,428,236	\$31,618,125	\$60,046,361	\$69,397,900	\$77,108,778	(\$17,062,417)
Restaurants	\$12,389,248	\$13,779,426	\$26,168,674	n/a	n/a	
Fast Food	\$11,749,055	\$13,067,399	\$24,816,454	n/a	n/a	
Other Eating Places	\$3,039,236	\$3,380,264	\$6,419,499	n/a	n/a	
Drinking Places	\$1,250,697	\$1,391,036	\$2,641,733	n/a	n/a	
Building Materials And Homefurnishings Group	\$46,037,932	\$1,327,681	\$47,365,612	\$56,257,600	\$56,919,272	(\$9,553,659)
Homefurnishings/Used Merch.*	\$20,260,583	\$584,292	\$20,844,875	\$9,032,400	\$9,642,193	\$11,202,682
Household Appliances & Electronics	\$16,978,596	\$489,643	\$17,468,239	\$4,778,000	\$4,778,000	\$12,690,239
Nurseries & Garden Supply Stores	\$1,620,641	\$46,737	\$1,667,379	\$4,661,900	\$4,680,622	(\$3,013,244)
Lumber & Other Building Materials	\$5,206,173	\$150,140	\$5,356,313	\$13,739,600	\$13,739,600	(\$8,383,287)
Hardware Stores	\$1,462,495	\$42,177	\$1,504,672	\$16,544,700	\$16,577,856	(\$15,073,184)
Paint & Wallpaper	\$509,443	\$14,692	\$524,135	\$7,501,000	\$7,501,000	(\$6,976,865)
Automotive Group	\$144,802,900	\$4,175,948	\$148,978,848	\$130,944,100	\$134,347,162	\$14,631,686
New Vehicle Dealers	\$96,605,382	\$2,785,987	\$99,391,369	\$62,288,300	\$62,288,300	\$37,103,069
Used Car Dealers	\$4,938,423	\$142,418	\$5,080,841	\$5,956,300	\$5,956,300	(\$875,459)
Gasoline Service Stations	\$39,891,583	\$1,150,427	\$41,042,010	\$50,104,200	\$53,507,262	(\$12,465,252)
Mobile Homes & Trailers	\$16,199	\$467	\$16,666	\$2,345,700	\$2,345,700	(\$2,329,034)
Auto Parts & Accessories	\$3,351,314	\$96,648	\$3,447,962	\$10,249,600	\$10,249,600	(\$6,801,638)

Note: Spending and sales do not include non-store retail establishments, which include mail-order, home shopping, and direct selling.

Store types marked with asterisks (*) are combined categories due to confidentiality requirements. All figures are constant 1997 dollars.

Source: ADE, retail model developed from 1992 US Retail Census, and 1994 Bureau of Labor Statistics HH expenditure estimates.

Household populations estimated from California Department of Finance and ABAG, sales figures from State Board of Equalization.

Among the individual retail categories, those that have the highest excess market capture are food stores, family clothing stores, specialty food retailers, office equipment retailers, hardware stores, gasoline service stations, and department/discount stores. Each of these retail categories generate sales at least \$10 million in excess of the spending by Napa households and employees. The market for these categories is definitely not confined to the primary market area. This is especially true with family clothing stores, which are heavily represented in the outlet center. These establishments generate \$31 million in sales, while Napa households and employees spend about \$11 million in this category. With food stores, the excess spending is assumed to come from visitors to Napa, rather than from county residents who live outside the primary market area.

Conversely, there are also a number of retail store categories that have lower sales totals than the amount of spending by Napa households and employees, which yields a “leakage” of sales out of Napa. The retail store categories with the largest sales leakages are new vehicle dealers, eating places, household appliance stores, and furniture stores. Each of these categories had a sales leakage of nearly \$10 million or more. Despite having one of the highest categorical sales totals with \$62 million, new vehicle dealers still had a sales leakage of \$37 million, by far the highest total of any retail category. This indicates that although Napa has a sizable concentration of new vehicle dealerships, a significant proportion of residents in Napa shop for new vehicles elsewhere.

Secondary Market Area

The secondary market area extends beyond the City of Napa corporate boundary. For analytical purposes, the two market segments comprising the secondary market are the balance of Napa county, except for American Canyon, which was determined to extend more into Vallejo’s market area; and visitors to the city of Napa. The degree to which Napa captures sales from these two secondary market segments can vary considerably depending on store type. For example, visitors to Napa county are not likely to make new vehicle purchases, just as households outside the city of Napa are less likely to do their grocery shopping in Napa.

Napa County Household Income and Spending

Although the number of households comprising the county market is considerably smaller than the city of Napa market, its average income level of \$74,200 is notably higher than the city’s average income. County households spend approximately \$361 million annually on retail items. Except for a proportionately lower spending amount for the grocery, food, and liquor store categories, the spending patterns among county households is similar to Napa city households.

Visitor Spending

Visitors to Napa Valley accounted for approximately \$390 million in retail spending in 1997, of which about \$156 million was spent in the city of Napa. This is good news but it is important to note that visitors confine their retail spending to a more limited range of store types than do local residents and employees.

Market Capture and Leakage for the Secondary Market Area

Table ED-16 shows the effect of adding the secondary market (Napa county household and visitor spending) to the primary market area retail spending. When only accounting for the primary market, Napa retail establishments have an excess market capture. However, once the secondary market and Napa visitor spending are added, Napa's overall retail market has a \$377 million sales leakage. It is apparent that while the city captures some share of secondary market and visitor spending, much of the demand for the secondary market is met elsewhere in or outside the county, while the city of Napa captures about 40 percent of the visitor spending.

A number of retail categories still have an excess market capture after the primary and secondary markets are added together. This is significant because it indicates that these categories are likely to capture spending from outside the county. The retail categories with the highest excess capture are auto parts, lumber/building materials, hardware, office equipment, and family clothing. Except for family clothing, these oversupplied retail categories may also reflect additional demand from business-to-business transactions. Store types that are oversupplied depend on drawing significant portions of their sales from outside the county, and the primary and secondary markets alone do not constitute a sufficient base from which to support additional stores of this type.

Table ED-16
Retail Store Spending in Napa and Surrounding Areas, 1997 (All Market Segments)

Retail Category	Primary Market (Table ED-19)	Secondary Mkt. Area Household Spending	City of Napa Visitor Spending	Total Retail Spending	Taxable Sales	Actual Sales	Sales Leakages
TOTAL	\$560,386,828	\$360,867,008	\$156,238,440	\$1,077,343,248	\$513,922,000	\$699,824,927	\$377,518,321
Apparel Store Group	\$30,272,249	\$24,572,567	\$0	\$54,844,816	\$52,598,400	\$52,598,400	\$2,246,416
Adult Apparel*	\$12,958,397	\$10,518,580	\$0	\$23,476,976	\$14,649,200	\$14,649,200	\$8,827,776
Family Clothing	\$11,001,611	\$8,930,219	\$0	\$19,931,830	\$31,031,000	\$31,031,000	(\$11,099,170)
Shoe Stores	\$6,312,242	\$5,123,768	\$0	\$11,436,010	\$6,918,200	\$6,918,200	\$4,517,810
General Merchandise Group	\$106,487,311	\$86,437,799	\$20,913,442	\$213,838,552	\$84,960,000	\$105,795,256	\$108,043,296
Limited Price Variety Stores	\$2,599,322	\$2,109,920	\$0	\$4,709,242	\$0	\$0	\$4,709,242
Department & Dry Goods	\$62,137,747	\$50,438,405	\$14,047,920	\$126,624,072	\$69,633,700	\$76,185,667	\$50,438,405
Discount Stores	\$34,619,697	\$28,125,826		\$62,775,523	n/a		
Department Stores	\$26,596,871	\$21,589,192		\$48,186,063	n/a		
Other General Merch./Drug Stores*	\$41,750,241	\$33,889,474	\$6,865,522	\$82,505,238	\$15,326,300	\$29,609,588	\$52,895,649
Specialty Retail Group	\$34,276,225	\$19,787,578	\$19,008,432	\$73,072,235	\$61,720,900	\$61,866,690	\$11,205,545
Gifts/Jewelry*	\$6,514,417	\$5,287,878	\$274,336	\$12,076,630	\$4,879,000	\$4,930,462	\$7,146,169
Sporting Goods	\$3,380,906	\$2,744,347	\$4,203,563	\$10,328,816	\$7,569,300	\$7,584,469	\$2,744,347
Florists	\$1,496,366	\$0	\$825,242	\$2,321,608	\$2,321,608	\$2,321,608	\$0
Photographic Equipment	\$676,887	\$549,442	\$0	\$1,226,329	\$0	\$0	\$1,226,329
Records & Music	\$4,094,640	\$2,492,774	\$0	\$6,587,414	\$2,642,900	\$2,642,900	\$3,944,514
Books & Stationery	\$2,460,403	\$1,497,867	\$4,068,726	\$8,026,996	\$6,522,600	\$6,529,129	\$1,497,867
Office and Computer Equipment	\$2,125,143	\$1,725,020	\$0	\$3,850,163	\$14,679,400	\$14,694,094	(\$10,843,931)
Other Specialty	\$13,527,463	\$5,490,251	\$9,636,565	\$28,654,279	\$23,117,700	\$23,164,028	\$5,490,251
Food, Eating and Drinking Group	\$193,006,582	\$70,692,489	\$103,851,314	\$367,401,356	\$127,441,000	\$288,298,148	\$79,103,209
Food Stores	\$122,114,778	\$46,951,265	\$16,884,046	\$185,801,060	\$52,581,700	\$185,801,060	\$0
Supermarkets	\$116,158,762	n/a	n/a	\$116,158,762	n/a		
Convenience Stores	\$5,806,988	n/a	n/a	\$5,806,988	n/a		
Specialty Food Stores	\$6,500,532	\$0	\$16,884,046	\$23,384,578	\$3,508,400	\$23,389,333	(\$4,756,000)
Delicatessens	\$655,018	\$0	n/a	\$655,018	n/a		
Meat & Fish Markets	\$1,923,257	\$0	n/a	\$1,923,257	n/a		
Fruit & Vegetable Markets	\$686,596	\$0	n/a	\$686,596	n/a		
Retail Bakeries	\$2,051,786	\$0	n/a	\$2,051,786	n/a		
Misc. Specialties	\$1,218,016	\$0	n/a	\$1,218,016	n/a		
Liquor Stores	\$4,344,912	\$0	n/a	\$4,344,912	\$1,953,000	\$1,998,976	\$2,345,936
Eating Places	\$60,046,361	\$23,741,224	\$70,083,222	\$153,870,807	\$69,397,900	\$77,108,778	\$76,762,029
Restaurants	\$26,168,674	\$10,346,611	\$30,542,817	\$67,058,101	n/a		
Fast Food	\$24,816,454	\$9,811,968	\$28,964,571	\$63,592,994	n/a		
Other Eating Places	\$6,419,499	\$2,538,152	\$7,492,531	\$16,450,181	n/a		
Drinking Places	\$2,641,733	\$1,044,493	\$3,083,304	\$6,769,530	n/a		
Building Materials And Homefurnishings Group	\$47,365,612	\$38,447,579	\$0	\$85,813,191	\$56,257,600	\$56,919,272	\$28,893,920
Homefurnishings/Used Merch.*	\$20,844,875	\$16,920,186	\$0	\$37,765,061	\$9,032,400	\$9,642,193	\$28,122,868
Household Appliances & Electronics	\$17,468,239	\$14,179,306	\$0	\$31,647,545	\$4,778,000	\$4,778,000	\$26,869,545
Nurseries & Garden Supply Stores	\$1,667,379	\$1,353,443	\$0	\$3,020,822	\$4,661,900	\$4,680,622	(\$1,659,800)
Lumber & Other Building Materials	\$5,356,313	\$4,347,822	\$0	\$9,704,135	\$13,739,600	\$13,739,600	(\$4,035,465)
Hardware Stores	\$1,504,672	\$1,221,371	\$0	\$2,726,042	\$16,544,700	\$16,577,856	(\$13,851,813)
Paint & Wallpaper	\$524,135	\$425,450	\$0	\$949,585	\$7,501,000	\$7,501,000	(\$6,551,415)
Automotive Group	\$148,978,848	\$120,928,997	\$12,465,252	\$282,373,097	\$130,944,100	\$134,347,162	\$148,025,935
New Vehicle Dealers*	\$99,391,369	\$80,677,887	\$0	\$180,069,256	\$62,288,300	\$62,288,300	\$117,780,956
Used Car Dealers	\$5,080,841	\$4,124,216	\$0	\$9,205,058	\$5,956,300	\$5,956,300	\$3,248,758
Gasoline Service Stations	\$41,042,010	\$33,314,589	\$12,465,252	\$86,821,851	\$50,104,200	\$53,507,262	\$33,314,589
Mobile Homes & Trailers	\$16,666	\$13,528	\$0	\$30,194	\$2,345,700	\$2,345,700	(\$2,315,506)
Auto Parts & Accessories	\$3,447,962	\$2,798,777	\$0	\$6,246,739	\$10,249,600	\$10,249,600	(\$4,002,861)

Note: Spending and sales do not include non-store retail establishments, which include mail-order, home shopping, and direct selling.
Store types marked with asterisks (*) are combined categories due to confidentiality requirements. All figures are constant 1997 dollars.
Source: ADE, retail model developed from 1992 US Retail Census, and 1994 Bureau of Labor Statistics HH expenditure estimates.
Household populations estimated from California Department of Finance and ABAG, sales figures from State Board of Equalization.

However, with the addition of the secondary market and visitor spending, nearly all of the remaining retail categories are significantly undersupplied and may represent expansion opportunities for businesses in Napa. The retail categories with more than \$25 million in sales leakage are eating places, new vehicle dealers, home furnishings/used merchandise retailers, household appliances and electronics stores, and gasoline service stations.

Breaking down the leakage into the types of potential that it represents, most of the leakage will continue to go outside Napa county in the short term. This expansion potential represents the difference between the sales at Napa retail establishments, compared to similar establishments across the state. For the base year and 2002, we anticipate that only a portion of this potential can be immediately accommodated. For the base year, we estimate this at \$56 million (Table ED-17).

Another \$63 million of the leakage can be accommodated by attracting new businesses. In viewing the individual categories of this potential growth, however, it is not clear that all of the opportunities can be captured. The restaurant category, for example, is extremely competitive and currently upvalley communities capture the lion's share of this trade. Moreover, a portion of city residents' spending in this category, as well as for specialty items and gasoline, occurs on vacation and business trips away from the city and cannot be captured locally. The auto sales category is difficult to project because of potential market changes that may see more of this trade occur over the Internet.

Lastly, an estimated \$312 million in retail spending will continue to go outside the county. This continuing leakage consists of spending potential that cannot be reasonably accommodated in the near future, is insufficient to support an average establishment in a particular retail category, and/or is in retail categories incompatible with City planning goals.

Table ED-17
Retail Development Opportunities, 1997

Retail Category	Sales Leakages (Table ED-20)	Expansion Potential	Attraction Potential	Continuing Leakage
TOTAL	\$377,518,321	\$56,410,052	\$63,103,147	\$312,369,841
Apparel Store Group	\$2,246,416	\$0	\$12,778,282	\$567,305
Adult Apparel*	\$8,827,776	\$0	\$8,535,985	\$291,792
Family Clothing	(\$11,099,170)	\$0	\$0	\$0
Shoe Stores	\$4,517,810	\$0	\$4,242,297	\$275,513
General Merchandise Group	\$108,043,296	\$16,812,802	\$0	\$91,230,495
Limited Price Variety Stores	\$4,709,242	\$0	\$0	\$4,709,242
Department & Dry Goods	\$50,438,405	\$16,812,802	\$0	\$33,625,603
Discount Stores				
Department Stores				
Other General Merch./Drug Stores*	\$52,895,649	\$0	\$0	\$52,895,649
Specialty Retail Group	\$11,205,545	\$3,856,814	\$8,889,613	\$9,303,050
Gifts/Jewelry*	\$7,146,169	\$2,382,056	\$0	\$4,764,112
Sporting Goods	\$2,744,347	\$914,782	\$0	\$1,829,565
Florists	\$0	\$0	\$0	\$0
Photographic Equipment	\$1,226,329	\$0	\$1,102,664	\$123,665
Records & Music	\$3,944,514	\$60,686	\$2,824,959	\$1,058,869
Books & Stationery	\$1,497,867	\$499,289	\$0	\$998,578
Office and Computer Equipment	(\$10,843,931)	\$0	\$0	\$0
Other Specialty	\$5,490,251	\$0	\$4,961,989	\$528,262
Food, Eating and Drinking Group	\$79,103,209	\$1,958,545	\$5,039,905	\$72,109,515
Food Stores	\$0	\$0	\$0	\$0
Supermarkets				
Convenience Stores				
Specialty Food Stores	(\$4,756)	\$0	\$0	\$0
Delicatessens				
Meat & Fish Markets				
Fruit & Vegetable Markets				
Retail Bakeries				
Misc. Specialties				
Liquor Stores	\$2,345,936	\$781,979	\$0	\$1,563,957
Eating Places	\$76,762,029	\$1,176,566	\$5,039,905	\$70,545,558
Restaurants				
Fast Food				
Other Eating Places				
Drinking Places				
Building Materials And Homefurnishings Group	\$28,893,920	\$6,052,798	\$36,395,347	\$12,544,267
Homefurnishings/Used Merch.*	\$28,122,868	\$0	\$27,794,199	\$328,669
Household Appliances & Electronics	\$26,869,545	\$6,052,798	\$8,601,148	\$12,215,599
Nurseries & Garden Supply Stores	(\$1,659,800)	\$0	\$0	\$0
Lumber & Other Building Materials	(\$4,035,465)	\$0	\$0	\$0
Hardware Stores	(\$13,851,813)	\$0	\$0	\$0
Paint & Wallpaper	(\$6,551,415)	\$0	\$0	\$0
Automotive Group	\$148,025,935	\$27,729,094	\$0	\$126,615,209
New Vehicle Dealers*	\$117,780,956	\$26,646,175	\$0	\$91,134,781
Used Car Dealers	\$3,248,758	\$1,082,919	\$0	\$2,165,838
Gasoline Service Stations	\$33,314,589	\$0	\$0	\$33,314,589
Mobile Homes & Trailers	(\$2,315,506)	\$0	\$0	\$0
Auto Parts & Accessories	(\$4,002,861)	\$0	\$0	\$0

Note: Spending and sales do not include non-store retail establishments, which include mail-order, home shopping, and direct selling.
Store types marked with asterisks (*) are combined categories due to confidentiality requirements. All figures are constant 1997 dollars.
Source: ADE, retail model developed from 1992 US Retail Census, and 1994 Bureau of Labor Statistics HH expenditure estimates.
Household populations estimated from California Department of Finance and ABA G, sales figures from State Board of Equalization.

Retail Market Projections to 2002

Market Characteristics

Using recent growth trends and Association of Bay Area Governments (ABAG) projected growth rates, Applied Development Economics projected the retail demand out to year 2002. In the four market segments, the results varied considerably with the primary market segments (Napa households and employees) projected to grow at a slightly slower rate than the secondary markets (Napa county households and visitors to the city of Napa). In order to show the effect of this growth on sales potential, the actual sales figures for the city were held constant from 1998.

The 2002 household count for the city of Napa is projected at 27,300, which represents a 5 percent increase over the 1997 total of 26,000. With a projected average household income of \$62,700, Napa households are estimated to account for about \$599 million in retail spending by 2002 -- a 16 percent increase over the 1997 household spending total. The other component of the primary market -- the Napa employees -- is projected to increase by about 11 percent during the same period.

For the secondary markets, the projected growth rate is somewhat higher. The number of households in Napa county (aside from the cities of Napa and American Canyon) are projected to increase by 4 percent between 1997 and 2002, while income will grow by 13 percent. This equates to a 17 percent increase in retail spending. Meanwhile, the spending by visitors to the city of Napa was projected at \$232 million by 2002, an increase of 48 percent over the 1997 spending, based on the most recent five-year growth trends which averaged more than 10 percent annual growth.

Market Capture and Leakage

Unlike the 1997 scenario, the 2002 projections show a leakage of \$50 million by Napa retail establishments when only accounting for the primary market segments. However, this is small in relation to the \$681 million in spending by Napa households and employees. This scenario also holds the retail sales constant at 1997 levels.

In addition, with the inclusion of the secondary markets, the 2002 scenario shows significant sales leakages of about \$600 million on total retail spending of \$1.3 billion (see Table ED-18). As before, the sales leakages span most categories, and present significant market gaps that could be filled by establishments in Napa. The expansion opportunities for existing retailers should grow to approximately \$89 million by 2002, and the attraction potential will be \$139 million. About \$419 million in retail

leakage will continue to go outside of Napa county. This leakage information is valuable in assisting with City retail recruitment efforts, as well as for existing retail business owners who may be considering new market opportunities.

Table ED-18
Retail Development Opportunities, 2002 Projection

Retail Category	Sales Leakages	Expansion Potential	Attraction Potential	Continuing Leakage
TOTAL	\$600,497,009	\$89,068,357	\$139,398,960	\$418,749,906
Apparel Store Group	\$11,265,035	\$0	\$18,557,710	\$528,929
Adult Apparel*	\$12,688,303	\$0	\$12,194,264	\$494,040
Family Clothing	(\$7,821,603)	\$0	\$0	\$0
Shoe Stores	\$6,398,335	\$0	\$6,363,446	\$34,889
General Merchandise Group	\$150,981,471	\$31,119,458	\$3,704,341	\$116,157,673
Limited Price Variety Stores	\$5,483,624	\$0	\$3,704,341	\$1,779,284
Department & Dry Goods	\$76,482,795	\$31,119,458	\$0	\$45,363,337
Discount Stores				
Department Stores				
Other General Merch./Drug Stores*	\$69,015,052	\$0	\$0	\$69,015,052
Specialty Retail Group	\$30,194,942	\$8,715,038	\$19,503,165	\$12,187,554
Gifts/Jewelry*	\$9,234,023	\$4,155,311	\$0	\$5,078,713
Sporting Goods	\$6,005,528	\$2,702,487	\$0	\$3,303,040
Florists	\$674,480	\$0	\$460,264	\$214,216
Photographic Equipment	\$1,427,985	\$0	\$1,102,664	\$325,321
Records & Music	\$5,018,111	\$81,926	\$4,708,265	\$227,920
Books & Stationery	\$4,324,626	\$1,775,314	\$0	\$2,549,312
Office and Computer Equipment	(\$10,210,815)	\$0	\$0	\$0
Other Specialty	\$13,721,005	\$0	\$13,231,972	\$489,033
Food, Eating and Drinking Group	\$159,694,250	\$2,947,156	\$43,962,729	\$112,784,366
Food Stores	\$28,759,289	\$0	\$25,406,105	\$3,353,185
Supermarkets				
Convenience Stores				
Specialty Food Stores	\$8,492,030	\$0	\$8,476,814	\$15,215
Delicatessens				
Meat & Fish Markets				
Fruit & Vegetable Markets				
Retail Bakeries				
Misc. Specialties				
Liquor Stores	\$3,019,536	\$1,358,791	\$0	\$1,660,745
Eating Places	\$119,423,395	\$1,588,364	\$10,079,810	\$107,755,221
Restaurants				
Fast Food				
Other Eating Places				
Drinking Places				
Building Materials And Homefurnishings Group	\$50,052,097	\$8,171,278	\$53,671,016	\$11,611,403
Homefurnishings/Used Merch.*	\$34,332,911	\$0	\$34,047,894	\$285,017
Household Appliances & Electronics	\$32,073,631	\$8,171,278	\$12,901,722	\$11,000,632
Nurseries & Garden Supply Stores	(\$1,163,060)	\$0	\$0	\$0
Fuel Dealers	\$7,047,154	\$0	\$6,721,400	\$325,754
Lumber & Other Building Materials	(\$2,439,728)	\$0	\$0	\$0
Hardware Stores	(\$13,403,546)	\$0	\$0	\$0
Paint & Wallpaper	(\$6,395,266)	\$0	\$0	\$0
Automotive Group	\$198,309,214	\$38,115,428	\$0	\$165,479,982
New Vehicle Dealers*	\$147,391,338	\$35,972,336	\$0	\$111,419,002
Used Car Dealers	\$4,762,427	\$2,143,092	\$0	\$2,619,335
Gasoline Service Stations	\$51,441,645	\$0	\$0	\$51,441,645
Mobile Homes & Trailers	(\$2,310,541)	\$0	\$0	\$0
Auto Parts & Accessories	(\$2,975,654)	\$0	\$0	\$0

Note: Spending and sales do not include non-store retail establishments, which include mail-order, home shopping, and direct selling. Store types marked with asterisks (*) are combined categories due to confidentiality requirements. All figures are constant 1997 dollars. Source: ADE, retail model developed from 1992 US Retail Census, and 1994 Bureau of Labor Statistics HH expenditure estimates. Household populations estimated from California Department of Finance and ABAG, sales figures from State Board of Equalization.

Table ED-19 summarizes the short-term new store development opportunities identified in the analysis. The home furnishings/improvements category is being addressed partially by the recent opening of Home Depot. Many of the other categories would be suitable additions to the city and Downtown to further solidify its attractiveness to visitors.

Table ED-19 New Store Development Opportunities In The City Of Napa	
	Restaurants
	Homefurnishings
	Home Improvements
	Apparel
	Shoes
	Gifts/Jewelry
	Music
	Cameras/Electronics

Retail Market Projections to 2020

Over the long term, it is important to consider how much new commercial development will be needed to support growth in demand. As shown in Table ED-20, the city of Napa has shown an income growth that is projected to outpace the population growth by a wide margin through 2020. This has positive implications for continued growth in the retail sectors because it allows for retail market growth even under conditions of limited population growth.

Table ED-20 Projected Annual Income and Population Growth Rates					
	City of Napa	Balance of Napa County	Solano County	Alameda County	Santa Clara County
Annual Income Growth Rate: 1995 to 2000	2.27%	1.87%	1.63%	2.06%	2.45%
Annual Population Growth Rate: 1995 to 2000	0.90%	1.28%	1.43%	1.09%	1.70%
Annual Income Growth Rate: 2000 to 2020	0.93%	1.92%	1.30%	1.19%	1.25%
Annual Population Growth rate: 2000 to 2020	0.88%	0.63%	1.54%	0.56%	0.52%

Source: ADE, data from ABAG

Note: Balance of Napa County does not include American Canyon.

In addition, Napa does have a number of retail segments that draw from a regional market, and the rest of Napa county is projected to have robust income growth in relation to the population growth. If Napa can continue to draw from the rest of the county, its retail market can continue to grow. By 2020, Napa and surrounding households expect to generate approximately \$1.4 billion in retail spending, while visitors will add \$350 million to the total, and Napa employees an additional \$63 million. Using the existing \$699 million in annual retail sales as an indicator, this translates into about \$1.1 billion in retail leakage by 2020 (see Table ED-21). Much of this leakage is accounted for in the general merchandise store group, and the food store and eating places categories.

Expansion Potential

By comparing retail establishments in Napa with comparable businesses elsewhere in California, approximately \$218 million of this leakage can be accommodated through expansion of existing businesses. The only constraint to this assertion is the physical space available to individual businesses in Napa. The largest expansion potential is in the department and discount stores category, which shows about \$63 million in future expansion potential. A portion of these sales will come with the continued maturation of the Target store and the future Walmart store.

Retail Space Demand and Planning Implications

The retail analysis also shows that by 2020 Napa's primary market area will generate \$324 million in spending potential for new stores, which translates into approximately 1.6 million square feet. Although much of it can be accommodated in existing spaces, expansions of existing retailers could also potentially create demand for up to 1.1 million square feet of retail space.

For Napa, this is a formidable planning issue because the General Plan capacity analysis showed that existing conditions will only accommodate an additional one million square feet of retail space. Much of this will be accomplished through reuse and intensification of existing retail areas. The General Plan Land Use Element includes policies to encourage creative reuse of existing retail and underutilized commercial properties.

Table ED-21
Retail Development Opportunities, 2020 Projection

Retail Category	Sales Leakages	Expansion Potential	Attraction Potential	Continuing Leakage
TOTAL	\$1,142,357,460	\$217,706,202	\$323,750,256	\$630,423,892
Apparel Store Group	\$35,848,368	\$0	\$34,305,132	\$1,543,236
Adult Apparel*	\$23,211,492	\$0	\$23,169,101	\$42,391
Family Clothing	\$1,112,528	\$0	\$0	\$1,112,528
Shoe Stores	\$11,524,348	\$0	\$11,136,031	\$388,317
General Merchandise Group	\$254,521,645	\$69,154,350	\$62,288,579	\$123,078,716
Limited Price Variety Stores	\$7,594,469	\$0	\$0	\$7,594,469
Department & Dry Goods	\$138,405,821	\$69,154,350	\$62,288,579	\$6,962,892
Discount Stores				
Department Stores				
Other General Merch./Drug Stores*	\$108,521,356	\$0	\$0	\$108,521,356
Specialty Retail Group	\$69,738,849	\$31,056,276	\$31,253,719	\$15,913,894
Gifts/Jewelry*	\$14,748,064	\$14,748,064	\$0	\$0
Sporting Goods	\$12,181,011	\$12,181,011	\$0	\$0
Florists	\$1,988,417	\$0	\$1,150,660	\$837,756
Photographic Equipment	\$1,977,668	\$0	\$1,653,996	\$323,671
Records & Music	\$7,950,192	\$182,059	\$7,533,223	\$234,909
Books & Stationery	\$9,406,378	\$3,945,142	\$3,273,210	\$2,188,026
Office and Computer Equipment	(\$8,485,040)	\$0	\$0	\$0
Other Specialty	\$29,972,160	\$0	\$17,642,629	\$12,329,531
Food, Eating and Drinking Group	\$372,167,480	\$8,409,231	\$117,941,445	\$245,816,804
Food Stores	\$139,072,807	\$0	\$83,477,201	\$55,595,606
Supermarkets				
Convenience Stores				
Specialty Food Stores	\$24,222,771	\$0	\$14,304,624	\$9,918,147
Delicatessens				
Meat & Fish Markets				
Fruit & Vegetable Markets				
Retail Bakeries				
Misc. Specialties				
Liquor Stores	\$4,879,533	\$4,879,533	\$0	\$0
Eating Places	\$203,992,370	\$3,529,699	\$20,159,619	\$180,303,052
Restaurants				
Fast Food				
Other Eating Places				
Drinking Places				
Building Materials And Homefurnishings Group	\$81,469,366	\$20,259,370	\$77,961,382	\$1,399,883
Homefurnishings/Used Merch.*	\$51,260,510	\$0	\$50,724,414	\$536,097
Household Appliances & Electronics	\$46,259,149	\$18,158,394	\$27,236,968	\$863,786
Nurseries & Garden Supply Stores	\$190,977	\$190,977	\$0	\$0
Lumber & Other Building Materials	\$1,909,999	\$1,909,999	\$0	\$0
Hardware Stores	(\$12,181,640)	\$0	\$0	\$0
Paint & Wallpaper	(\$5,969,630)	\$0	\$0	\$0
Automotive Group	\$329,025,673	\$88,826,974	\$0	\$242,671,358
New Vehicle Dealers*	\$228,084,307	\$79,938,524	\$0	\$148,145,784
Used Car Dealers	\$8,888,450	\$8,888,450	\$0	\$0
Gasoline Service Stations	\$94,525,575	\$0	\$0	\$94,525,575
Mobile Homes & Trailers	(\$2,297,008)	\$0	\$0	\$0
Auto Parts & Accessories	(\$175,651)	\$0	\$0	\$0

Note: Spending and sales do not include non-store retail establishments, which include mail-order, home shopping, and direct selling. Store types marked with asterisks (**) are combined categories due to confidentiality requirements. All figures are constant 1997 dollars. Source: ADE, retail model developed from 1992 US Retail Census, and 1994 Bureau of Labor Statistics HH expenditure estimates. Household populations estimated from California Department of Finance and ABAG, sales figures from State Board of Equalization.

TOURISM AND HOSPITALITY INDUSTRY CLUSTER

The recently published cluster report by the Napa Valley Economic Development Corporation contains an excellent overview of the Hospitality and Tourism Cluster in the county. The following discussion summarizes the main points, adding some additional information from our own research.

Industry Cluster Overview

The number of visitors to Napa county generally grew steadily through the early 1990s as shown in Table ED-22. Business travelers accounted for about half of the increase in visitors. Growth in visitors has stabilized over the past several years, which appears to be the result of constraints on the supply of lodging facilities. The Napa Valley Conference and Visitors Bureau (CVB) estimates that the Valley turns away 80 percent of its inquiries for convention trade, and this does not account for latent demand from larger groups who do not even inquire because they know the Valley has no facilities of adequate size available.

Table ED-22 Estimated Visitors to Napa County (millions)			
Year	Total	Business	Leisure
1990	4.3	1.30	3.00
1991	4.2	1.25	2.95
1992	4.6	1.45	3.15
1993	4.8	1.55	3.25
1994	5.0	1.65	3.35
1995	5.1	1.70	3.40
1996	5.1	1.70	3.40

Source: NVEDC and Daniel Howard, CVB.

Napa county has about 2,500 hotel rooms, compared to 10,000 in Monterey County, which is one of Napa's major competitors. Although a number of new hotels are currently proposed and several new rooms are about to come on line, little new lodging has been built for a number of years. This has led to very high occupancy rates and room rates among existing hotels, particularly during peak periods.

Interviews with hotel operators indicate that there is still substantial capacity to serve mid-week visitors.

A recent market analysis conducted for the proposed hotel at the Napa Valley Expo estimated that occupancy rates among primary and secondary competitors to that project have reached 76 percent and 83 percent, respectively, in the past year. Occupancy rates in the county are 10 percent above national averages, and peak room rates are averaging 40 percent above national averages. This led transient occupancy taxes (TOT) to increase more than 25 percent between 1992 and 1995 and more than 15 percent between 1995 and 1996.

Mr. Daniel Howard, Executive Director of the CVB, estimates that there is demand for another 1,000 to 2,000 rooms in the Valley. This is supported by the experience in Monterey County which has four times the number of rooms as Napa county, but only a little over twice the amount of overall visitor expenditures. Based on this comparison, Napa county could support another 1,700 hotel rooms. Many visitors to Napa currently stay in hotels in Contra Costa, Solano and Sonoma counties.

Overall visitor spending in Napa county has continued to grow at more than 10 percent per year (although the NVEDC report points out that Napa ranks only 20th in the state in visitor expenditures).² A strong increase in restaurants appears to be a major factor in this positive growth trend. The growth in Napa county visitor expenditures exceeded the state average as well as the figures posted in Sonoma, San Francisco, Monterey, and El Dorado (South Lake Tahoe) counties.³

The tourism and hospitality industry cluster is a vital part of Napa county's economy, both in terms of its existing base and its prospects for continued growth. Close to 15 percent of Napa county's economic activity can be directly attributed to visitor spending. Industries comprising this cluster include lodging, recreation, restaurants, specialty food stores, gas stations, other specialty retail, and other transportation services. With over 9,500 jobs having at least a tangential connection to tourism and hospitality, this cluster accounts for 22 percent of the total private sector employment in Napa county (see Table ED-23).

²This figure compares well, however, with the fact that Napa ranks 33rd in the state in population and 50th in geographic size.

³Interviews with hotel operators in Napa indicate that Napa is part of a geographic triangle frequented by out-of-state visitors. Typically, visitors fly into San Francisco and then travel to Monterey, Napa and Lake Tahoe during their stay in Northern California.

Table ED-23
Employment Indicators For Tourism and Hospitality Industry Cluster
Napa County, 1991 to 1996

SIC	Description	1991 Empl.	1996 Empl	Empl. Change	Percent Change	Percent of Total	Concentration Factor	Relative Growth
	All Industries Total	37,363	41,689	4,326	11.6%	100.0%	1.00	8.43%
411	Local and suburban transportation	150	194	44	29.3%	0.5%	2.28	4.91%
472	Passenger transportation arrangement	60	113	53	88.3%	0.3%	1.09	87.35%
531	Department stores	367	406	39	10.6%	1.0%	0.49	2.39%
533	Variety stores	40	8	(32)	-80.0%	0.0%	0.31	-53.07%
539	Misc. general merchandise stores	115	38	(77)	-67.0%	0.1%	0.60	-20.52%
541	Grocery stores	1,146	1,208	62	5.4%	2.9%	1.26	11.05%
542	Meat and fish markets	23	17	(6)	-26.1%	0.0%	0.83	-25.65%
544	Candy, nut, and confectionery stores	16	11	(5)	-31.3%	0.0%	0.62	-50.15%
546	Retail bakeries	92	166	74	80.4%	0.4%	1.79	71.78%
549	Miscellaneous food stores	44	56	12	27.3%	0.1%	0.88	-47.37%
554	Gasoline service stations	257	198	(59)	-23.0%	0.5%	0.93	-20.61%
581	Eating and drinking places	3,495	4,140	645	18.5%	9.9%	1.31	10.79%
599	Misc. retail stores	213	349	136	63.8%	0.8%	1.71	66.27%
701	Hotels and motels	1,941	1,948	7	0.4%	4.7%	2.97	4.02%
703	Camps and recreational vehicle parks	76	68	(8)	-10.5%	0.2%	5.32	12.47%
751	Automotive rentals, no drivers	13	23	10	76.9%	0.1%	0.27	65.94%
799	Misc. amusement, recreation services	462	595	133	28.8%	1.4%	1.10	-8.35%
	Tourism/Hospitality Cluster Total	8,510	9,538	1,028	12.1%	22.9%	1.34	7.13%

Source: ADE, data from MIG ES202 County data files

Note: Data reflects all employment for these industries, not just the employment directly associated with visitor spending.

Note: Concentration factor compares the concentration of employment in Napa County relative to California -- a factor above 1.00 indicates that Napa County has a higher employment concentration than California in a particular industry, while a factor below 1.00 indicates a lower concentration.

Relative growth measures the employment growth of Napa County, relative to California -- a positive figure indicates that employment in Napa County for a particular industry grew faster (or declined slower) than California, while a negative figure indicates that Napa County grew slower (or declined faster).

Between 1991 and 1996, the cluster added 12 percent to its employment base — a growth rate twice as high as the tourism and hospitality cluster across the rest of the state. The two largest industries in the cluster are eating and drinking places, and hotels/motels. Eating and drinking places employ 4,100 workers, which comprises about 10 percent of the county's private sector employment, and had above-average growth between 1991 and 1996. Although much of this employment reflects local demand, the employment concentration in this industry is 30 percent higher than the statewide average. This indicates that these establishments derive a considerable share of their revenue from visitor spending.

The hotel/motel sector is clearly driven by visitor spending. Establishments in this category employ over 1,900 workers, comprising 5 percent of the county employment base. Moreover, hotel/motel employment in Napa county is twice as concentrated as it is across California. Although employment in the hotel/motel industry grew by less than one percent between 1991 and 1996, the industry in Napa county still performed considerably better than it did throughout California.

City of Napa's Market Position

Based on the retail market analysis presented in the previous section, the city of Napa captures about 25 percent of retail spending by visitors. This is slightly less than the percent the city captures of lodging revenues, which has ranged from 26 to 29 percent over the past several years. Napa city has about 40 percent of the total hotel rooms in the county, but a number of its properties are in the moderate price range, compared to many of the facilities in the county unincorporated area which charge much higher room rates. As noted in our earlier economic base analysis, the city supports about 50 percent of total county employment, so its market share of the hospitality industry is well below its potential.

A key issue, then, is what can the City of Napa do to improve its position in the regional hospitality industry? The city has a number of assets in this regard, and several significant new projects are proposed which will help boost visitorship to the city.

In terms of existing assets, the city is the southern terminus of the Napa Valley Wine Train and Downtown Napa offers tourists very attractive shopping and eating opportunities. The historic downtown concept that has been adopted for Downtown is very attractive to visitors to the area. With the passage of the Flood Protection Plan, sites and development opportunities in Downtown will be protected against future flooding, which has been a significant deterrent to development. The Napa Premium Outlets are also a major regional draw for shoppers.

Proposed Additions to Napa's Visitor-Serving Infrastructure

Napa city has several hotel and conference facility projects in various stages of planning. The Napa Valley Expo plans to develop a hotel and upgrade its conference facilities. These improvements may include as many as 300 hotel rooms, as well as additional small break-out meeting rooms to complement improvements to the 31,800 square feet of meeting facilities currently at the Expo. The Expo is also looking at concepts such as a model farm that would serve as attractions in Napa. Currently, Napa Valley attractions are not particularly family-oriented.

In addition to the Napa Valley Expo project, a number of other hotel projects are planned. The Napa River Inn with 60 rooms is near completion. Marriott has also proposed a corporate hotel with 156 rooms for the Napa Valley Corporate Park, although this project has been on hold. Hawthorne Suites (formerly Days Inn) is adding 30 rooms in a new facility. The Hilton Garden Inn is under construction, adding 80 new rooms. The Chateau Hotel is expanding to add a conference center, and 56 additional rooms in a future construction phase. In addition, several hotel projects are in the preliminary planning

stage. These projects are summarized below.

Projected New Hotel Rooms in the City of Napa (December 1999)

Marriott - Corporate Park	156 rooms
Napa River Inn	60 rooms
Expo Conference Ctr. Hotel	300 rooms
Downtown Napa Hotel(s)	350 rooms (future project/s)
Citywide Hotel	137 rooms (future project/s)
Chateau Hotel	56 rooms
Hawthorne Suites	<u>30 rooms</u>
TOTAL	1089 rooms

These lodging projects, combined with the new hotels up-valley and the 1,000 proposed rooms at the Airport Industrial Park would meet the hotel demand estimated by the CVB, plus allow for some future growth in the market. While many of these room figures are tentative, this level of development would create up to 900 hotel jobs as well as additional retail jobs from visitor expenditures. The related sales tax and transient occupancy taxes would be a substantial fiscal benefit to the City.

In addition to the lodging expansions, other facilities will contribute to Napa's visitor-serving economy. The American Center for Wine Food and the Arts (American Center) is projected to attract 200,000 to 300,000 visitors per year, many of whom already visit other attractions in Napa Valley. It is anticipated that many of the events hosted by this facility will require overnight accommodations, which will not be provided at the Center.

The Oxbow School, a semester-long art-intensive curriculum for highschool students, is located across the river from the American Center. The proximity of this unique facility to the Jarvis Conservatory, the American Center, and the Opera House is resulting in the birth of an art district focus in Downtown Napa and a heightened awareness of Napa as a cultural center in the Valley.

JOBS/HOUSING BALANCE

In preparing the draft Economic Element, the Economic Working Group wanted to be sure that any land use or industry attraction policies that may be recommended in the draft Economic Element would be consistent with the jobs/housing balance that the General Plan meets. The City's economic consultant, Applied Development Economics, confirmed that the draft Economic Element's policies would maintain the General Plan's jobs/housing balance.

The Housing Element to the General Plan is scheduled to be updated in the next two years. At that time, each element of the General Plan will be considered in housing policy formation. The Housing Element update will provide policies and implementation programs in an effort to address the housing affordability and availability issues the city is experiencing.

The following provides some general population and housing information that was utilized during the formation of the Economic Element and Economic Strategic Plan.

Population and Housing Growth

Since 1990, the population growth trends for both the city of Napa and Napa county have largely mirrored those for California as a whole. As shown in Table ED-24, Napa's 1997 population estimate of 68,000 represents an increase of just under 10 percent since 1990. This population count also represents over half the overall Napa county population of 120,800. The county's population increase of 9.1 percent between 1990 and 1997 is slightly below the state growth rate of 9.6 percent.

Table ED-24 Population Changes City of Napa and Napa County, 1990 and 1997				
	1990 Population	1997 Population	Population Growth	Percentage Growth
City of Napa	61,865	67,999	6,134	9.9%
Napa County	110,765	120,828	10,063	9.1%
California	29,758,213	32,608,891	2,850,678	9.6%

Source: ADE, data from 1990 U.S. Census and California Dept. of Finance

Accordingly, the housing stock in Napa also constitutes over half the housing units in Napa county. Since 1990, the housing stock in Napa has increased by 8.2 percent, which is slightly more than the 7.9 percent growth rate countywide. The category with the largest unit increase is single-family detached

housing, which added over 1,400 units between 1990 and 1997. Multi-family housing with five or more units added 440 units between 1990 and 1997.

Projected City and County Jobs-Housing Balance

As mentioned previously, the city of Napa has more employed residents than jobs. The city population has increased at a slightly faster rate than jobs in recent years. Meanwhile, the balance of Napa county has a surplus of jobs in relation to population.

According to ABAG projections, the gap between employed residents and jobs will continue to widen in Napa through 2000, at which time the trend will reverse and the gap will begin to narrow. ABAG also projects that the balance of the county will continue to add jobs faster than residents. For Napa county as a whole, ABAG projects that the number of jobs will surpass the number of employed residents sometime between 2000 and 2005. Table ED-16 indicates ABAG's projected long term trends out to 2020. Accelerated job growth will reduce the difference between employed residents and jobs from about 6,050 to 4,620 within the city by 2020.

The lower part of Table ED-25 shows ABAG's projections for the remainder of the county. The county, including the other cities in the county, currently has 3,250 more jobs than employed residents, and this difference is projected to increase to nearly 15,000 excess jobs by 2020. More than 7,800 additional housing units, above the projected housing growth level, will be needed to balance the job supply in the remainder of the

county by 2020.

Table ED-25		
Projected Jobs/Housing Balance		
	1998	2020
City of Napa General Plan Estimates		
Employed Residents	34,100	45,100
Jobs	28,050	40,480
Difference	6,050	4,620
Household Units	27,850	35,020
Units Needed to Balance Jobs in 2020		676
ABAG Estimates - Balance of County		
Employed Residents	21,700	29,300
Jobs	24,950	43,770
Difference	(3,250)	(14,470)
Units	18,190	22,920
Units Needed to Balance Jobs in 2020		7,822

Source: City of Napa General Plan Update Concept Report and ABAG Projection 98.

Impact of Job Growth on Housing Demand

In 1992, the City and the County sponsored a study of the relationship between job growth and housing needs. That study projected the need for 12,139 units countywide between 1990 and 2010. This is assuming that 24 percent of total new workers (and 15 percent of those working in the City of Napa) will elect to live outside of Napa County for a variety of personal reasons. The study estimated that one-third of the demand would be in low- or very low-income households (those making 80 percent or less of the county median income). More than three-quarters of the low-income housing demand is projected to occur in the City of Napa and south county, of which nearly 1,000 units would be in the very low-income category.

Table ED-26 shows the estimated housing demand for these low-income groups by various business types. The figures in the top row represent the employment generated by a 100,000 square-foot building of each type.

Table ED-26					
Comparison of Housing Demand by Employment Type					
	Office	Industrial	Wine Production	Retail/ Services	Hotel
Total Employees per 100,000 sq.ft.	363	67	83	286	167
Housing Demand					
Very Low Income Households	9.9	2.2	2.3	10.7	6.5
Low Income Households	24.6	5.2	5.7	21.9	12.9
Subtotal Housing Demand	34.5	7.4	8.0	32.6	19.4
Housing Demand as Percent of					
Total Employment	9.5%	11.0%	9.6%	11.4%	11.6%

Source: KMA, Napa Jobs Housing Needs Study, 1992.

Office space generates the highest employee counts and industrial the lowest. These figures are derived using average employee density factors such as 275 square feet per office employee and 1,500 square feet per industrial employee. The next two rows in the table show the number of new households in the low- and very low-income categories that would need housing in Napa county as a result of building 100,000 square feet of each type of building space. The last two rows in the table show the total housing demand in the target income groups and the percentage that the housing demand represents of the total workforce at each type of facility. These percentages are slightly lower for office and wine production industries, but overall are fairly consistent among the land uses. However, the total housing demand is highest for office and lowest for industrial developments. Within the industrial category, the study notes that the impact is much lower for warehousing than for manufacturing activities.

The methodology used in this analysis accounts for regional changes in the labor force and job base that would lower the effective housing demand due to jobs created in Napa county. Five percent of the workers in new jobs are assumed to be local women newly entering the labor force as part of the overall upward trend in employment. These workers already occupy housing in Napa. Another five percent of workers are assumed to have been laid off from declining industries or facilities in the area. As new jobs are created, these workers are re-employed but do not represent new housing demand in Napa. Finally, an additional 35 percent are eliminated to account for those living outside Napa county who would commute to these new jobs.

While the General Plan is in close balance in terms of total housing and job growth, the housing demand in the low- and very-low income segments represents a significant challenge to the city. With the recent passage of the City's Inclusionary Housing Ordinance, continued economic growth in the community will assist in generating the funds that can be used in the effort to supply affordable housing. There are also a variety of efforts the City, the County, and local job training agencies and institutions can take to further reduce the housing demand in these income groups. Programs to train local residents for new jobs, as well as programs among employers to encourage hiring of Napa residents, reduce the need for new housing construction associated with this job development.

APPENDIX I

ECONOMIC ELEMENT WORKING GROUP

Member	Business/Organization	Industry
Ed Fried, President	Dey Laboratories	Technology
Chris Piper	Piners Ambulance	Health Care
Daniel Howard	NVCVB	Hospitality
Brian Kelly	Napa National Bank	Financial
Paul Jaquish	EPS, Inc.	Technology
Richard Long	Quantum	Technology
Clay Gregory	Robert Mondavi Corporation	Wine
Traci Gee	Napa Premium Stores	Retail
Sandi Perlman	Napa Chamber of Commerce	Business
Ray Sercu	Vallerga's	Retail
Celine Haugen	NVEDC	Business
Dave Brown	Napa Valley Unified School District	Education
Kent Imrie	A.H. Smith	Professional Office

CONSULTANT TEAM

Jim King	Applied Development Economics
Doug Svensson	Applied Development Economics
Larry Mintier	J. Laurence Mintier and Associates

CITY STAFF

Patricia Thompson, City Manager
 Cassandra Walker, Manager, Redevelopment/Economic Development Department
 Jennifer Louks, Management Analyst, Redevelopment/Economic Development Department
 John Yost, Director, City Planning Department
 Deborah Faaborg, Associate Planner, City Planning Department
 Peter Dreier, Housing Director

BIBLIOGRAPHY

Information/Data Sources

- Area Agency on Aging Serving Napa-Solano, Area Plan: 1997-2001, 1998 Update
- Association of Bay Area Governments, Projections98, 1998
- Bureau of the Census, 1992 Census of Retail Trade, 1995
- Bureau of the Census, 1980 and 1990 U.S. Census of Population
- California Department of Finance, City/County Population and Housing Estimates, 1999
- California Employment Development Department, Occupational Employment Statistics, 1996
- City of Napa Affordable Housing Task Force, Report to Housing Authority of the City of Napa Commission, April 1998
- City of Napa, Consolidated Plan FY 1995-1999
- City of Napa, General Plan Update Concept Report, March 1994
- Economic Research Associates, City of Napa General Plan Update Fiscal Analysis, August 16, 1996
- Dean Runyan Associates, California Travel Impacts by County, 1997
- Economic & Planning Systems, Fiscal and Economic Analysis of the South Napa Marketplace, June 1997
- Keyser Marsten Associates, Napa Jobs Housing Nexus Study, September 1992
- Keyser Marston Associates, Napa Valley Expo Conference Center and Hotel Market Analysis, June 1997
- Minnesota Implan Group, ES202 County Employment Database, 1996.
- Minnesota Implan Group, IMPLAN Input-Output Model, 1994.
- Moore Iacofano Goltsman, Inc. Draft Strategic Transportation Plan. June 1999
- Napa Valley Conference and Visitors Bureau, 1997/8 Annual Report
- Napa Valley Economic Development Corporation, Downtown Worker Survey, June 1997
- Napa Valley Economic Development Corporation, Our Valley's Future: Napa Valley Selected Industry Cluster Process, 1998
- Northern California Council for the Community, Building a Healthier Napa Task Force Collaborative Community Assessment, March 1999 Draft
- State Board of Equalization. 1997 City of Napa Sales Tax Receipts
- U.S. Army Corps of Engineers and Napa County Flood Control and Water Conservation District, A Citizen's Guide To The City of Napa, Napa River, & Napa Creek Flood Protection Project
- U.S. Bureau of Labor Statistics, Survey of Household Expenditures, 1995

Persons and/or Organizations Interviewed

Reynaldo Zertuche, Embassy Suites
Peter Dreier, Housing Authority
Buzz Butler, Airport Industrial Park
Frank Turley, Napa State Hospital
Michael Wylie MCI Systemhouse
Diane Carey, Napa Valley College
Ed Shenk, Napa Valley College
Dave Johnson, Queen of the Valley Hospital
Jeff Doran, downtown property owner
LeRoy Moore, Exertec
Annette Madsen, Annette's Chocolate
Jim Beazley, Beazley House
Michael Giangreco, Napa Valley Register
Cheryl Richburg, Napa Valley Traditions
Carol Murio, Nelson Staffing Solutions
Harry Price, CDI Development
Jim Asbury, Bell Products
Bob Johnstone, Napa Printing and Graphics
Joe Peatman, Downtown Joe's
Scott Jenson, Jenson Motor
Cliff Hartle, Gasser Foundation
Matt Connolly, Chelsea GCA
Dan Corsello, Napa Valley Coalition of Non-Profit Agencies
David Allen, Marinco
Tracy Nelson, Pam Am Satellite
Leann Martinsen, Area Agency on Aging Serving Napa-Solano
Napa County Medical Society



C124922878